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S. HRG. 109–302, PT. 2

Senate Hearings

Before the Committee on Appropriations

Legislative Branch Appropriations

Fiscal Year 2007

109*th* CONGRESS, SECOND SESSION

H.R. 5521

PART 2

ARCHITECT OF THE CAPITOL
CAPITOL GUIDE BOARD
CONGRESSIONAL BUDGET OFFICE
GOVERNMENT ACCOUNTABILITY OFFICE
GOVERNMENT PRINTING OFFICE
LIBRARY OF CONGRESS
OFFICE OF COMPLIANCE
U.S. CAPITOL POLICE BOARD
U.S. SENATE

Legislative Branch Appropriations, 2007 (H.R. 5521)—Part 2

S. HRG. 109–302, PT. 2

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

ON

H.R. 5521

AN ACT MAKING APPROPRIATIONS FOR THE LEGISLATIVE BRANCH FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2007, AND FOR OTHER PURPOSES

PART 2

Architect of the Capitol (except House items)
Capitol Guide Board
Congressional Budget Office
Government Accountability Office
Government Printing Office
Library of Congress
Office of Compliance
U.S. Capitol Police Board
U.S. Senate

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LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, MARCH 1, 2006

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:27 a.m., in room SD–138, Dirksen Senate Office Building, Hon. Wayne Allard (chairman) presiding.

Present: Senator Allard.

LIBRARY OF CONGRESS

STATEMENT OF JAMES H. BILLINGTON, LIBRARIAN OF CONGRESS; CHAIRMAN OF THE BOARD, OPEN WORLD LEADERSHIP PROGRAM

ACCOMPANIED BY:

DONALD L. SCOTT, DEPUTY LIBRARIAN OF CONGRESS
DANIEL P. MULHOLLAN, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE
JULIA HUFF, CHIEF OF OPERATIONS, COPYRIGHT OFFICE
KURT CYLKE, DIRECTOR, BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED
KARL SCHORNAGEL, INSPECTOR GENERAL

STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. The subcommittee will come to order. I am going to do the unprecedented thing and get us started ahead of time, ahead of schedule. I am told we have our witnesses here, everybody of interest that is going to be present for the hearing. So we will go ahead and get you seated for the proceeding, and we will start out with my making a few comments and then we will call on the first panelist to make their presentation.

We meet today to take testimony from Dr. James Billington, Librarian of Congress, on the Library's budget request for fiscal year 2007. We welcome Dr. Billington, who is accompanied by Deputy Librarian Don Scott, and the Library's top team. The request for appropriation totals $588 million, along with offsetting collections of $40 million, for a total budget of $628 million, an increase of about 4 percent over this year's budget.

This is a relatively modest request and we appreciate that you have not requested a large number of new projects and initiatives. However, within the Architect of the Capitol's (AOC) budget a total of $102 million is requested for Library buildings and grounds, including a new $54 million logistics warehouse for the Library. This appropriation request represents a 50 percent increase over the fis-

cal year 2006 budget for Library buildings and grounds and will be very tough to accommodate.

In particular, questions have been raised as to whether the design for the warehouse is gold-plated and whether more cost-effective alternatives have been explored thoroughly.

Other issues we would like to be updated on today include the status of the new National Audio-Visual Conservation Center (NAVCC) in Culpeper, Virginia, which I had the opportunity to visit in December; plans for converting the books for the blind and physically handicapped to digital format; and the ongoing realignment of the Congressional Research Service.

Dr. Billington will also submit testimony for the record as chairman of the Open World Leadership Center. This program is slated for a $14.4 million budget, a $540,000 increase of 4 percent over the 2006 level.

Those are my opening comments. Now we will go to the panel that we have before us. I will call on Dr. Billington for his testimony, and also welcome General Scott. It is good to have you with us this morning.

OPENING STATEMENT OF THE LIBRARIAN

Dr. BILLINGTON. Thank you, Mr. Chairman. I really appreciate the opportunity to present the Library of Congress fiscal 2007 budget request to the subcommittee. I have provided details of the Library's accomplishments and goals in my written statement. We have approached this budget submission keenly aware of the fiscal challenges that this subcommittee, as well as the Congress as a whole, faces, Mr. Chairman.

The Congress and the Library faces unprecedented challenges itself if it is to sustain in the exploding digital age its historic mission of acquiring, preserving, and making accessible the world's largest and most globally inclusive collection of human knowledge. That mission has never been more important for our service to the Congress or for our overall national needs than it is now in the midst of the information age and the globalization process.

WORKFORCE TRANSFORMATION

In order to sustain high-quality services at a time of radical change in the ways knowledge is communicated and developed, the Library must undertake an institutional workforce transformation. Sixty-five percent of our budget is for people; 40 percent of our workforce will be eligible to retire by the year 2010. We need knowledge navigators imbued with a new set of skills, in many cases capable of seamlessly integrating digital materials with books and other traditional artifactual items, books and so forth, in order to provide users with comprehensive and objective knowledge that is useable and the practical wisdom that has always been a part of our democratic function.

The Library is already leading the national effort to archive the Internet, an enormous task, and we must help develop standards for the electronic sharing of bibliographic records, just as the Library has historically done for the print world with its cataloguing records.

Incidentally, we catalogued more than 313,000 books and periodicals last year, more than ever before in the Library's history. So the traditional needs continue as the digital demands explode.

The Library must begin its transformation of functions, facilities, and people with the reallocation of existing resources. Our current process of analysis and planning adheres to the spirit of the Government Performance and Results Act (GPRA) and we will produce in calendar year 2007 a comprehensive strategic plan from which the budget submission for fiscal year 2009 will be derived, and the extended nature of resource needs for 2013 will be outlined. This planning process is already informing our budget process, but that is the schedule on which it will be formally implemented.

NATIONAL AUDIO-VISUAL CONSERVATION CENTER—CULPEPER

The 4.1 percent increase we request for fiscal 2007 is almost entirely for mandatory pay and price level increases. Our fiscal year 2007 request for the National Audio-Visual Conservation Center in Culpeper, Virginia, represents a decrease of $1.2 million from the fiscal year 2006 request. This project is progressing well. We expect to complete construction and begin moving collections and staff in May of this year.

The unique facility will allow us to preserve more quickly and effectively hundreds of thousands of items in our audiovisual collection that are a critically important part of America's cultural heritage, but very vulnerable to degradation and very much in need of calibrated conservation, which we will be able to provide with the largest and most up to date such facility in the world.

This project would not have been possible without the financial support of the Congress and an unusually generous private funding from David Woodley Packard and the Packard Humanities Institute.

ACQUISITIONS BUDGET REQUEST

We are very grateful for the additional resources we were provided in the past two fiscal years for acquisitions, but we are still falling behind in our all-important current acquisitions, which is the absolute core requirement of this institution so that it can properly serve the Congress and the Nation.

In fiscal year 2007 I respectfully but urgently ask that the Congress continue supporting our acquisitions with an additional $2 million. These funds will allow us to continue collecting materials that we uniquely bring from all areas of the world, particularly from lesser known and lesser understood regions that are becoming increasingly important for our Nation, both for economic and security needs. It is important that we sustain the schedule that we have established and have been falling behind on for acquisitions.

OTHER BUDGET PRIORITIES

But beyond these two important ongoing priorities, we have limited our budget request to three new projects, all of which total less than $2 million: $1 million for the Copyright Office to begin a record preservation project, an initiative requested by Congress in fiscal 2005; $781,000 to begin our workforce transformation by en-

hancing the staff digital competencies, career development, and recruitment; and $150,000 to begin preparing a major exhibition in 2009 marking the bicentennial of Abraham Lincoln's birth. This total project will cost $1.4 million, will include a traveling exhibit, and will be a major effort for this important milestone.

LOGISTICS CENTER

Let me mention finally, as you brought up, the request in the Architect of the Capitol's budget for $54.2 million to construct a Library logistics center at Fort Meade. I understand and sympathize with the subcommittee's concern regarding the cost of this facility and I will be working with the Architect of the Capitol to find ways to reduce its cost. This facility is critically needed for the Library's day to day distribution and logistics needs and will provide a long-term cost saving to the Government by consolidating costly and outmoded storage space from three locations into one modern, safer and more secure location.

PREPARED STATEMENTS

Thank you, Mr. Chairman. I would be happy to answer any questions.

[The statements follow:]

PREPARED STATEMENTS OF JAMES H. BILLINGTON

LIBRARY OF CONGRESS

I appreciate the opportunity to appear before you today to discuss the past accomplishments and future goals of the Library of Congress in the context of our fiscal year 2007 budget request. I would like to thank this Committee for the strong support it has always shown the Library's programs, and I ask for your support again to ensure that the Library maintains its prestigious place as the world's largest repository of human knowledge and the main research arm of the United States Congress.

With all the unique distinction that this institution has achieved in the print world, it now faces the unprecedented challenge of sustaining its leadership amidst the revolutionary changes of the digital world. Information-seekers now have many (and often more convenient) ways of finding what they need. But they are often overwhelmed or misled by the profusion of unfiltered and often inaccurate information on the World Wide Web. The Library of Congress must redefine its role in this new environment. This institution-wide process is now underway—and will be embedded in the new strategic plan that we are developing for the entire Library for 2008–2013.

The budget request we have submitted to you includes the following basic assumptions:

—The Library of Congress must continue to build comprehensive, world-wide collections in all formats so that Members of Congress, scholars, school students, and the American people will have access to valid, high-quality information for their work, their research, and their civic participation.

—A comprehensive institutional workforce transformation will be required for staff to continue providing the highest levels of service to the Congress and to the public.

—There is no change in the Library's historic mission of acquiring, preserving, and making its materials accessible and useful to the Congress and the nation. The aim is to blend the new digital materials into the traditional artifactual collections so that knowledge and information can be objectively and comprehensively provided by an integrated library.

—The transformation of functions, of facilities, and of people must begin with a reallocation of existing resources. The current process of analysis and planning will produce, in the course of calendar 2006, the strategic plan that will determine the extent and nature of resource needs for future budget submissions.

THE LIBRARY OF CONGRESS OF TODAY

Library of Congress collections are made up of more than 132 million artifactual items in more than 470 languages including: 30 million books (among them more than 5,000 printed before the year 1500); 14 million photographs; 5.2 million maps; 3 million audio materials; 981,000 films, television, and video items; 5.3 million pieces of music; 59 million manuscripts; and hundreds of thousands of scientific and government documents.

And these collections continue to grow. More than 13,000 items are added to the Library's collections every day. These materials are organized, cataloged, and served to readers in on-site reading rooms and through cultural programs and exhibitions. A steadily increasing number of materials are made available free of charge on the Internet.

The Library's collections gather in not only regularly published materials, but arcane reports that have limited distribution, international ephemera that illuminate other cultures and socio-political movements, and special collections that have been carefully assessed by our curators and acquired by our donors. Among the many new materials acquired by the Library in fiscal year 2005 are:

—The unique Jay I. Kislak Collection of nearly 4,000 items documenting the early history of the Americas.

—38,555 individual oral histories collected from interviews with U.S. war veterans.

—Original music manuscripts of Felix Mendelssohn, Jerome Kern, George Gershwin, and Woody Guthrie.

—The Bernard Krisher Collection, containing 450 taped interviews with Asian dignitaries documenting major developments in Asia from 1962–1983.

—The personal and professional papers of the late Chief Executive Officer and Publisher of the Washington Post, Katharine Graham.

—The Cuban Exile Collection, 234 microfilm reels of materials documenting the Cuban-American experience.

—Factiva, a full-text online database of publications and up-to-the minute reports and news focusing on global developments and business from 118 countries in 22 languages.

—A collection of 454 charts of the coast of China from the Chinese Navy Headquarters, the Navigation Guarantee Department. A complete set of modern hydrographic charts of the Chinese coastline and areas of the South China Sea.

—The American Colony of Jerusalem Collection, a Christian society formed in Jerusalem in 1881 by an American, Horatio Gates Spafford, and his wife Anna Lawson Spafford.

Library of Congress services include:

—Fulfilling our priority mission of service to the Congress through the objective research and analysis done exclusively for the Congress by the Congressional Research Service. Our Law Library also largely serves the Congress. Overall, the Library provides a wide range of services from analysis on current public policy issues to responses to constituent requests.

—In fiscal year 2005, the Library performed the following major services to the Congress and its constituents:

  —Delivered more than 900,000 replies to members of Congress, covering nearly 200 current policy areas and providing access to 1,400 regularly updated research products.

  —Registered about 532,000 copyright claims.

  —Circulated nearly 24 million books and magazines free of charge to the blind and physically handicapped.

  —Assisted local libraries all over the nation by cataloging nearly 313,000 books and serials—the highest number in the Library's history.

Library of Congress digital leadership includes:

—Providing free internet access to its entire catalog, to more than 10 million primary documents of American history and culture, to a growing body of similarly unique and multi-medial materials from six other major national libraries, and to extensive information about the Congress. In fiscal year 2005, our web site, www.loc.gov, recorded more than 3.8 billion hits—a 14 percent increase in usage over fiscal year 2004.

—Coordinating the development and implementation of a comprehensive national plan mandated by the Congress for preserving important but often ephemeral materials on the Internet. The Library has enlisted eight national consortia involving 36 institutions across the country to share in this massive project. The Library has already collected 128 terabytes; and our partners are expected to

collect an estimated 100 terabytes. The materials include digital maps, photographs, TV programming, news, and datasets.

BUILDING THE LIBRARY FOR THE FUTURE

The Library's Vision and Strategic Plan

The Library's vision is to sustain in the digital world of the 21st century its historic mission of acquiring, preserving, and making maximally accessible to the public and useful for the Congress a universal collection of human knowledge. The challenge now is to bring the best of the traditional library into the digital environment. This will require holding fast to the principles of equitable access and long-term preservation while seamlessly integrating new digital materials with traditional artifactual items and helping develop standards and protocols for the electronic sharing of bibliographic records just as the Library did for the print world with its cataloging records.

The Library has developed a Library-wide framework for program assessment of every division and support office. Congressional support has already enabled us to reengineer copyright functions and to create a National Audio-Visual Conservation Center. And we are developing new roles for key staff to become objective "knowledge navigators" who can make knowledge useful from both the artifactual and the digital world.

The institution is undertaking a comprehensive strategic planning process that adheres to the spirit of GPRA and will guide us in what will have to be a major transformation of our workforce. We must find ways to transfer the widely recognized skills of our best traditional librarians on to the more broadly and democratically accessible Web and into K–12 education which is making increasing use of the Library's online resources. We must continue to integrate and be open to new technology and best business practices library-wide—and to maximize fairness and diversity in building the workforce of the future.

This work will continue in fiscal year 2006, culminating in a comprehensive new strategic plan for fiscal year 2008–2013, from which all future budget requests will be derived. Our fiscal year 2007 request already reflects the Library's improved strategic planning process and has led us to ask for no new additional FTEs and a historically low 4 percent budgetary increase despite the many challenges that the Library will face in fiscal year 2007.

THE LIBRARY'S FISCAL YEAR 2007 BUDGET REQUEST

In fiscal year 2007, the Library requests a total budget of $628.465 million ($588.131 million in net appropriations and $40.334 million in authority to use receipts), an increase of $24.842 million or 4.1 percent above the fiscal year 2006 level. The total includes $23.969 million in mandatory pay and price level increases and $4.896 million in program increases, offset by $4.023 million in non-recurring costs.

Requested funding supports 4,258 full-time equivalents (FTEs), a net decrease of 44 FTEs below the fiscal year 2006 level of 4,302.

The Library's programs and activities are funded by four salaries and expenses (S&E) appropriations which support management of the Library, the National and Law Library Services, Copyright administration, Congressional Research Service, and Library Services to the Blind and Physically Handicapped.

Fiscal year 2007 funding is allocated as follows:

—Library of Congress, S&E ($409.294 million/2,902 FTEs), which includes:
  —National Library ($312.590 million/2,264 FTEs)
    —National Library—Basic
    —Purchase of Library Materials (GENPAC)
    —Office of Strategic Initiatives
    —Cataloging Distribution Service
  —Law Library ($14.026 million/101 FTEs)
  —Management Support Services ($82.723 million/537 FTEs)
—Copyright Office, S&E ($59.189 million/523 FTEs)
—Congressional Research Service, S&E ($104.279 million/705 FTEs)
—Books for the Blind and Physically Handicapped, S&E ($55.703 million/128 FTEs)

THE LIBRARY'S FUNDING PRIORITIES

Mandatory Pay and Price Level Increases

The Library is requesting an additional $23.969 million to maintain current services. This is the amount needed to support the annualization of the fiscal year 2006 pay raise, the fiscal year 2007 pay raise, within grade increases, and unavoidable

inflation and vendor price increases. These funds are needed simply to sustain current business operations and to prevent a reduction in staff that would severely affect the Library's ability to manage its programs in support of its mission and strategic objectives.

Unfunded Mandates

The Library is requesting $2.171 million for one unfunded mandate: the Department of State (DOS) Capital Security Cost-Sharing Program.

In fiscal year 2005, the DOS, mandated by the Executive branch, began its 14-year program to finance the construction of approximately 150 embassy compounds, requiring increasing contributions from all agencies with an overseas presence, including the Library. The Library has argued that the DOS methodology for assessing agencies is unfair since it is based on the number of overseas personnel rather than on actual services or space provided by DOS in diplomatic facilities. The Library's yearly assessment was $1.2 million in fiscal year 2005 and $2.4 million in fiscal year 2006. The proposed bill for fiscal year 2007 is $4.572 million, an increase of $2.171 million. If funding is not provided for the next phase of the program, the Library will have insufficient resources to operate its overseas offices. This would result in the curtailment—and in some cases termination—of international acquisitions programs in areas that are of increasing importance to the nation (Islamabad, Cairo, Jakarta, Nairobi, New Delhi and Rio de Janeiro). The Library continues to negotiate with the DOS and will alert the Committees if DOS agrees to any downward adjustments of their assessment.

Major Ongoing Projects

The Library is requesting $794,000 for two ongoing major projects that are either in their last year of development or on a time-sensitive schedule that must be maintained if the entire project is to succeed.

—*National Audio-Visual Conservation Center (NAVCC), Culpeper, VA*.—A five-year plan for the completion of NAVCC was included in the Library's fiscal year 2004 budget. Fiscal year 2007 represents the fourth year in the Library's five-year cost model, which is adjusted annually to align with shifts in the construction schedule of the Packard Humanities Institute and the Library's occupancy schedule. In 2005, the Phase 1 Central Plant was turned over to the AOC and the Collections Building to the Library. In 2006, construction will be completed and the entire property transferred to the government. Staff relocations will take place, as will the procurement and integration of digital preservation equipment and systems within the NAVCC's audio-visual conservation facility. Funding is needed in fiscal year 2007 to continue purchasing equipment for the facility as well as for operations support. Total requested fiscal year 2007 funding of $13.9 million reflects a net decrease of $1.206 million and –6 FTEs from fiscal year 2006.

—*Acquisitions (GENPAC/Electronic Materials)*.—Advances in technology have opened opportunities for the Library to acquire materials from parts of the world about which, until recently, there had been little knowledge. National interest, especially with respect to security and trade, dictates that we acquire emerging electronic publications and other difficult-to-find resources that document other cultures and nations. The GENPAC appropriation, which funds the purchase of all-important current collections materials, declined precipitously in its purchasing power during the 1990s. Consistent with our fiscal year 2005–2006 budget requests for a multi-year, $4.2 million base increase to the GENPAC budget, the Library is requesting the next incremental adjustment of $2 million, which will bring the total base adjustment up to $3.3 million. Funding is needed to help keep pace with the greatly increased cost of serial and electronic materials that risks seriously eroding the foundation of the many services provided by the Library to the Congress and the nation.

New Projects

The Library is requesting $1.931 million for three new critical initiatives as follows:

—*Copyright Records Preservation*.—A six-year, $6 million initiative is needed to image digitally 70 million pages of pre-1978 public records that are deteriorating, jeopardizing the mandatory preservation of, and access to, these unique records of American creativity. In fiscal year 2007, the Library is requesting the first $1 million, which will permit the scanning of 10 million page images.

—*Workforce Transformation Project*.—Renewal and development of the Library workforce is essential to retrain staff with the necessary skills for the digital age, and to capture for the future the vast knowledge of large numbers of experienced staff who are near retirement. In fiscal year 2007, the Library will begin

a program to enhance digital competencies, leadership skills, career development, recruitment, and other workforce counseling and services. These activities are particularly important for sustaining the Library's commitment to a diverse workforce. Funding of $781,000 is requested, and will support initiatives to:
—Define and develop digital competencies
—Build an aspiring leaders program for GS 5–9 employees
—Enhance Library-wide training through the Center for Learning and Development
—Create a summer intern recruitment program and a talent pool for permanent employment
—Expand interpreting services.

—*Abraham Lincoln Bicentennial Exhibition.*—The Library is planning a major Abraham Lincoln Bicentennial Exhibition in 2009. The exhibition will be a centerpiece of the nationwide celebration to mark the bicentennial of Lincoln's birth. The Library will draw on its unparalleled Lincoln materials to focus on Lincoln's rise to national prominence and the thinking and writing that underlie his career. A total of $1.442 million will be needed for this project, of which $150,000 is requested in fiscal year 2007. The balance of $1.292 million will be requested in fiscal year 2008. Multi-year (3 year) authority is requested for the fiscal year 2007 funding. Funding will support the design of the exhibition and travel needed to visit other venues and/or other institutions that will be lending materials to the Library exhibition.

Other Program Changes

Congress created and passed the Library of Congress Digital Collections and Educational Curricula Act of 2005. Beginning in fiscal year 2006, the Act moved the administrative and programmatic ownership of the Adventure of the American Mind (AAM) from the Educational and Research Consortium to the Library.

While no additional funding is requested in fiscal year 2007 for the Library's new AAM National Program, the Library is requesting a change in the way the base funding of $5.801 million is used. Whereas this entire amount was earmarked for grants in fiscal year 2006, we would like the fiscal year 2007 funding to support both administrative ($1.791 million) needs and grant awards ($4.01 million). In addition, the Library will begin developing standards-based, field-tested curricula, using a train-the-trainer model to create a network of partners from all parts of the country.

ARCHITECT OF THE CAPITOL—LIBRARY OF CONGRESS BUILDINGS AND GROUNDS

The Architect of the Capitol (AOC) is responsible for the structural and mechanical care and maintenance of the Library's buildings and grounds. In coordination with the Library, the AOC is requesting an fiscal year 2007 budget of $102.2 million, of which $62.265 million supports projects specifically requested by the Library. Included is $54.2 million to construct a 166,000 square foot logistics warehouse at Fort Meade, replacing and consolidating current long-term and temporary facilities leased and maintained by the Library.

The significant increase over the fiscal year 2006 budget request level is the result of deferring maintenance and upgrades to the Library's buildings on Capitol Hill and the delays in the Fort Meade construction plan. Costs are higher because more maintenance and upgrade projects need to be completed concurrently. Deferments and delays have created longer lists of projects. The cost increase is compounded by inflationary pressures and by the steadily growing risks in health, safety, and security to the Library's staff and collections. The cost of maintenance and upgrades will increase exponentially if the Library cannot stop, or at least slow down, the rate of deterioration of its buildings, and return to its construction plan and schedule.

PROPOSED CHANGES TO LEGISLATIVE LANGUAGE

The Library has proposed language to improve employment options elsewhere in the Federal Government for Library staff. The first provision confers competitive status to Library employees who have successfully completed their probationary period at the Library—the basic eligibility to be noncompetitively selected to fill vacancies in the competitive service of the Federal Government. This will enable Library staff to apply for positions in the executive branch on an equal footing with "career" executive branch employees. A related provision would enhance the employability of Library employees displaced because of a reduction in force (RIF) or failure to accept a transfer to an alternative work location. This provision would give staff who have been separated, priority for selection for competitive service positions comparable to that enjoyed by separated employees from other federal agencies.

We also propose new appropriation language to address the requirement specified in the Cooperative Acquisitions Program Revolving Fund legislation (CAP), Public Law 105–55, that the revolving fund receive its own audit by March 31 following the end of each fiscal year. The Library requests that the March 31 audit requirement be rescinded and that the CAP be subject to the same audit requirement as the Library's other revolving funds.

The fiscal year 2006 administrative provision limiting the Library's assessment for embassy construction to equal to or less than the unreimbursed value of the services provided to the Library on State Department diplomatic facilities must also be maintained in fiscal year 2007.

CONCLUSION

The Library of Congress' priorities expressed in the fiscal year 2007 budget request have a common theme: that of enhancing and transforming the staff, the collections they manage, and the buildings that house them. These requests will make it possible for the Library to improve the quality of its service in keeping with the high ideal of a knowledge-based democracy and a creativity-enhancing society. This budget will help us prepare for the many changes needed to sustain and expand the opportunities for a free people to benefit from an open and universal stream of knowledge and information. The Library looks forward to working with and for the Congress as we seek to build these opportunities in fiscal year 2007, and in the years ahead.

OPEN WORLD LEADERSHIP CENTER

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to present testimony on the Open World Leadership Center's budget request for fiscal year 2007. The Center, whose board of trustees I chair, conducts the only foreign-visitor program in the U.S. legislative branch and sponsors the largest U.S.-Russia inbound exchange. All of us at Open World are very grateful for our home and support in the legislative branch and for congressional participation in our programs and on our governing board. The Consolidated Appropriations Act passed in December 2004 made the chair of this subcommittee ex officio a member of Open World's board, and my fellow trustees and I are pleased and honored to have you join us, Mr. Chairman. We look forward to working with you as we make important decisions on the future of Open World.

During an important year of assessment and change, the Board and staff began to review all aspects of the program in order to produce in fiscal year 2006 a comprehensive strategic plan for the future. This review is being led by Board member James Collins, who played a key role in launching the program when he was Ambassador to Russia.

Geraldine Otremba completed her outstanding leadership of the able and dedicated staff of the Center in September 2005. Aletta Waterhouse, who had also done great work with the program from its beginning, served very well as Interim Executive Director. The Board will name a new Executive Director in early spring of 2006.

The Center's budget request of $14.4 million (Appendix A) for fiscal year 2007 reflects an increase of $0.54 million (4.0 percent) over fiscal year 2006 funding. This funding will enable the Center to continue its proven mission of hosting young leaders from Russia; expand its important program for Ukraine; and conduct smaller programs for such other countries as the Board of Trustees will approve in consultation with the Appropriations Committees. The budget increase over fiscal year 2006 is due to increases of salaries and benefits (11 percent of increase), airfares and impact of changing exchange rates (60 percent of increase), and domestic transportation, per diem and other programmatic costs (29 percent).

In 2005, Open World welcomed its 10,000th participant in its sixth year of operation. We began calendar year 2005 by organizing a major post-Orange Revolution exchange to six U.S. states for Ukrainian judges, election experts, NGO managers, and journalists. We ended the year with a local-government study tour in Maine for a delegation from the Solovetsky Islands, home to one of the Soviet Union's first prison camps and one of Russia's greatest monasteries.

Open World brought 1,552 Russians and Ukrainians to the United States in calendar 2005 to work with their American counterparts while experiencing our democracy and civil society. The Chief Justice of the Russian Supreme Court had planning sessions at the U.S. Supreme Court on U.S.-Russian judicial cooperation; two teams of Russian child-trauma experts helping Beslan victims consulted with Pennsylvania social agencies on their mental and social support services, and a delegation of

Ukrainian journalists shared their experiences during the Orange Revolution at a forum in Cincinnati.

Open World's plans for calendar year 2006 include programs on accountable governance for officials from municipalities created under Russia's recent law on local self-governance; expanding our two-year-old exchange for Ukrainian leaders; and providing programs on elections to both Russian and Ukrainian leaders. We will also continue our rule of law program, which has benefited so much from the involvement of U.S. Supreme Court justices and many other prominent members of the American judiciary, including Chief U.S. Bankruptcy Judge Sidney B. Brooks of Denver, Colorado, and U.S. District Judge Michael M. Mihm of Peoria, Illinois. As I discuss below, this calendar year the Center's board—in consultation with the members of the Appropriations Committees—must also make important decisions about whether and where Open World should expand in Eurasia.

Program Leadership

Senator Ted Stevens (AK) serves as honorary chairman of the Open World Leadership Center's board. The congressionally appointed members are Senate Majority Leader Bill Frist (TN), Senator Carl Levin (MI), and Representative Robert E. "Bud" Cramer (AL). The second congressionally appointed seat reserved for a member of the House of Representatives is currently vacant. Public Law 108–447, as amended by Public Law 109–13, added to the Board the chair of the Committee on Appropriations of the House of Representatives or designee and the chair of the Subcommittee on Legislative Branch of the Committee on Appropriations of the Senate. Former U.S. Ambassador to Russia James F. Collins, Walter Scott, Jr., Chairman of Level 3 Communications, former Representative Amo Houghton, and former U.S. Ambassador to Spain George Argyros are the current citizen members. I sit on the Board in my capacity as Librarian of Congress, and I currently serve as chairman. The Board of Trustees met on December 5, 2005, and reviewed the budget request and program plans presented below.

Program Objectives:

Open World program enhances professional relationships and understanding between political and civic leaders of participating countries and the United States. It is designed to enable emerging young leaders from the selected countries to:

—build mutual understanding with their U.S. counterparts and share approaches to common challenges;
—observe U.S. government, business, volunteer, and community leaders carrying out their daily responsibilities;
—experience how the separation of powers, checks and balances, freedom of the press, and other key elements of America's democratic system make the government more accountable and transparent;
—develop an understanding of the U.S. free enterprise system;
—learn how U.S. citizens organize and take initiative to address social and civic needs;
—participate in American family and community activities; and
—establish lasting professional and personal ties with their U.S. hosts and counterparts.

Open World provides the highest-caliber program for the U.S. visit so that Open World participants return to their countries with a meaningful understanding of America's democracy and market economy.

Open World has refined and focused on a few key themes central to democracy-building in order to improve the quality and focus of the U.S. program.

The catalytic effect of the 10-day U.S. stay is extended by fostering continued post-visit communication between participants and their American hosts and contacts, their fellow Open World alumni, and alumni of other USG-sponsored exchange programs.

In calendar 2005, Russian alumni participated in 168 interregional conferences, workshops, meetings, and professional seminars sponsored by Open World. A major conference for the program's Lithuanian alumni was held in the capital city of Vilnius, and three events were held for alumni in Ukraine.

Open World's multilingual website with online forums (and assisted Russian/English translation for cross-cultural communication) helps maintain communication among delegates, American hosts, and other interested parties. Open World also operates two listservs for Russian alumni, one with news of grants, competitions, and other sources of financial support, the other with weekly updates on Open World news and announcements and opportunities for cooperation and partnership with fellow alumni. All alumni activities and the website are supported through private funding.

Measures of Success

In addition to conducting the qualitative assessments described above, the Center also tracks quantitative program performance measures to ensure that Open World is meeting its mission of focusing on a geographically and professionally broad cross-section of emerging leaders who might not otherwise have the opportunity to visit the United States:

—Delegates have come from all the political regions of Russia and virtually all those of Ukraine, Lithuania, and Uzbekistan.
—84 percent of Russian participants live outside Moscow and St. Petersburg.
—More than 5,000 federal, regional, and local government officials have participated, including 156 members of parliament and 935 judges.
—The average age of Open World delegates is 38.
—92 percent of delegates are first-time visitors to the United States.
—Only 12.5 percent of delegates report having "above average" or better English-language skills. (Several U.S. exchange programs require some English-language skills. By not requiring knowledge of English, Open World is able to choose from a much larger candidate pool of young leaders. Interpretation is provided for all Open World delegations.)
—49 percent of delegates are women. (Women did not have significant leadership opportunities in the Soviet Union.)
—The distribution of delegates among Russia's seven "super-regions" roughly matches that of the country's general population.

Open World in America

Open World delegates are hosted by a large and dedicated group of American citizens who live in cities, towns, and rural communities throughout the United States:

—Since Open World's inception in 1999, more than 5,300 U.S. families have hosted participants in more than 1,500 communities in all 50 states.
—In 2005, the 204 locally based Open World host organizations in 147 congressional districts included universities and community colleges, library systems, Rotary clubs and other service organizations, sister-city associations, courts, and nonprofits.

American hosts' generosity toward and enthusiasm for Open World are a mainstay of the program. In 2005, interested host communities' demand for Open World visitors exceeded supply by 34 percent. Americans' enthusiasm for the Open World Program is reflected in their generous giving. In 2005, Americans gave an estimated $1.9 million worth of in-kind contributions through volunteer home hosting of delegates, a ratio of one dollar in contributions for every seven dollars in appropriated funds.

Visiting delegates, in turn, have impacted American communities by sharing ideas with their professional counterparts, university faculty and students, governors and state legislators, American war veterans, and other American citizens in a variety of forums such as group discussions, Rotary Club breakfasts, and town hall meetings.

During a 2005 Open World visit to Appleton, Wisconsin, for example, a Russian delegate from Kurgan Region, which borders Kazakhstan, proposed an idea at a Rotary club event. Since there were so many World War II veterans in attendance, the delegate suggested an exchange of letters between Wisconsin World War II veterans and their Kurgan counterparts. One such letter from a member of the Appleton-Kurgan Sister City Program reads, in part:

"WWII efforts created a significant result in history and provided a great victory which was achieved with the help of the Russians for the benefit of the world. Many people, especially among our Russian friends, lost family members . . . Some of my schoolmates lost their lives as well. They made the ultimate sacrifice from which all of us in the years since the war have benefited."

Students from Appleton North High School became interested in the correspondence and decided to interview local veterans, record their stories digitally, and make them available online. The letters also inspired an op-ed article in the local paper on Memorial Day last year and will be displayed at the Appleton Public Library. We understand the U.S. Consulate in Yekaterinburg as well as Fox Cities Online are interested in displaying the letters on their websites. In short, the Open World delegation's visit to Wisconsin is having a wide ripple effect.

Two other examples of interchanges that benefited the American host communities come from Urbana, Illinois, and Harrisburg, Pennsylvania. In Urbana, a visiting Open World rule of law delegate made a detailed presentation on the differences between the Russian and American court systems to the Champaign County circuit court judges, state's attorney, and public defender; this was followed up

by a lively question and answer session. And in Harrisburg, the two Open World teams of child-trauma experts working with Beslan victims shared their harrowing experiences and the latest information on Russian child-trauma theory and practice during presentations to social-service providers and community leaders.

As a result of the Open World Program, American professional leaders are also expanding their own international networks, opening up multiple channels of dialogue to integrate new ideas and values. Today one of the best ways to connect with the Supreme Court of Ukraine might be through Charles R. Simpson III, a federal district court judge in Louisville, Kentucky. One of Judge Simpson's 2005 Open World delegates, Ukrainian appellate judge Tatyana Valentinovna Shevchenko, recently e-mailed him with the news that she had just been appointed to her country's high court.

The Importance of Russia

The Board believes that Open World should maintain a high level of hosting from Russia. As Secretary of State Condoleezza Rice stated in a February 12, 2006 interview, we must challenge "Russia as a whole . . . the Russian people, to fully integrate [democratic institutional] values into their future." Michael McFaul of the Carnegie Endowment for International Peace recently asserted the need for "exchanges, connections, anything that increases connectivity between Russian and American society."

The Open World Program is playing a growing role in helping Russia's emerging leaders experience first hand the workings of our democratic institutions to. The ranks of Russian Open World participants include:

—719 senior regional administrators and 163 regional legislators;
— more than 1,000 mayors, city council members, municipal departmental heads, and executive-level city officials;
—887 judges;
—588 NGO directors; and
—188 print editors and 68 heads of TV and radio stations.

In addition, the Open World experience has contributed to the establishment or strengthening of 65 sister-organization and Rotary International partner relations, including 17 partnerships between U.S. and Russian legal communities.

Calendar Year 2005 Activities

Russia

Among the 1,410 Russian participants in calendar year 2005, delegates came from a wide range of regional ethnic groups, and had hosting experiences in 47 U.S. states and the District of Columbia. Open World's hosting themes were economic development, the environment, health and social services, rule of law, women as leaders, and, for the first time, local governance. Under the health/social services theme, several Open World teams concentrated on AIDS prevention and treatment, disability issues, or substance abuse prevention and treatment. Open World also hosted two delegations of Russian nonproliferation specialists who worked with their counterparts at two U.S. Department of Energy national laboratories.

A highlight of our 2005 Russia program was a rule of law exchange hosted by Chief U.S. Bankruptcy Judge Sidney B. Brooks of Denver, Colorado, for a high-level delegation of Russian Supreme Commercial Court justices and regional commercial-court chief judges. The Russians held talks with federal and state judges and University of Denver law professors, observed court proceedings, took a workshop on alternative dispute resolution, and were briefed by the state attorney general on his office's role and structure. The delegates also attended the U.S. district court's weekly press briefing and analyzed it with court staff afterward. Thanks to the relationships established by this and earlier commercial-court exchanges, the head of Russia's Supreme Commercial Court will visit the United States later this month on a trip supported by the Department of State and Open World.

As a result of legislation passed in 2003, the Open World Russia program now also includes up-and-coming arts administrators and artists in a range of media—important leaders to the development of a democratic society. Support from the National Endowment for the Arts enables the Russian Cultural Leaders Program to offer two- and three-week residencies to these participants. The 2005 cultural program were brought Russian writers to the University of Mississippi to participate in the Oxford Conference on the Book, and brought Russian documentary filmmakers to the Athens Center for Film and Video in Athens, Ohio, for an intensive residency.

Ukraine

Ukraine was selected in 2003 for an Open World program because of its strategic position in Eurasia, its large and educated population, and its important potential contribution to regional stability.

The 142 young Ukrainian leaders that Open World welcomed in calendar year 2005 were hosted in 14 states and the District of Columbia. The theme for Ukraine in 2005 was "civil society," with subthemes in independent media, electoral processes, NGO development, and rule of law. Open World initiated a judge-to-judge program similar to its highly successful judicial exchange with Russia. Forty-two Ukrainian judges, including a Supreme Court justice and two members of the Supreme Commercial Court, were hosted in eight different states. In a number of the American communities that hosted Ukrainian leaders, the impact of the Orange Revolution was discussed in presentations, roundtables, and panels.

The September 13, 2005 mayoral primary in Cincinnati provided the backdrop for one of this year's most successful Ukrainian exchanges: a study trip on American media and elections for a delegation of print and broadcast journalists. Hosted locally by the Cincinnati-Ukraine Partnership, the delegates observed mayoral candidates being interviewed by the press, spent a half day with key editors of the Cincinnati Enquirer, had a workshop on public relations and the press, and observed balloting at the Board of Elections on election night. They also sat in on newspaper editorial meetings and a live television news broadcast, allowing them to feel, as one delegation member said, like "part of the editorial team."

Open World 2006 and Plans for 2007

For 2006, the Board of Trustees approved continuing the successful Open World programs for Russia (civic, cultural, and rule of law) and the rule of law and civic programs for Ukraine. I appointed a panel to assess and make recommendations for Board consideration on four major issues: (1) whether Open World should expand to other countries, and if so, which, (2) whether country programs should be linked by region, (3) what the scope and nature of alumni programs should be, and (4) what improvements could be made to the Russia and Ukraine programs. The panel will submit an overall strategic plan for board approval by June 2006. The Board will notify the Appropriations Committee of any countries selected for new Open World programs. Any program expansion will be initiated in calendar 2006 and fully implemented in 2007. By September 30, 2006, Open World will finish implementing the financial management and administrative recommendations in the Government Accountability Office's March 2004 report on Open World.

The budget request maintains hosting and other programmatic activities at a level of approximately 1,400 participants total. Actual allocations of hosting to individual countries will be adjusted to conform to Board of Trustees recommendations and consultation with the Appropriations Committees. The requested funding support is also needed for anticipated fiscal year 2007 pay increases and to cover the Department of State Capital Security Cost Sharing charge for the Center's two Foreign National Staff.

Major categories of requested funding are:

—Personnel Compensation and Benefits ($1.197 million)

—Contracts ($8.48 million—awarded to U.S.-based entities) that include: Coordinating the delegate nomination and vetting process; obtaining visas and other travel documents; arranging and paying for air travel; coordinating with grantees and placing delegates; and providing health insurance for participants.

—Grants ($4.72 million—awarded to U.S. host organizations) that include the cost of providing: Professional programming for delegates; meals outside of those provided by home hosts; cultural activities; local transportation; professional interpretation; and administrative support.

CONCLUSION

The fiscal year 2007 budget request will enable the Open World Leadership Center to continue to make major contributions to an understanding of democracy, civil society, and free enterprise in a region of vital importance to the Congress and the nation. This Subcommittee's interest and support have been essential ingredients in Open World's success.

I thank the Subcommittee for its continued support of the Open World Program.

APPENDIX A.—OPEN WORLD LEADERSHIP CENTER BUDGET—FISCAL YEAR 2007

Description	Fiscal year 2007 estimated obligations
11.1 Personnel Compensation	$944,100
12.1 Personnel Benefits	252,400
21.0 Travel	97,500
22.0 Transportation	2,200
23.0 Rent, Comm., Utilities	8,100
24.0 Printing	4,100
25.1 Other Services/Contracts	8,386,000
26.0 Supplies	4,100
31.0 Equipment	16,500
41.0 Grants	4,685,000
Total, fiscal year 2007 budget request	14,400,000

PREPARED STATEMENT OF MARYBETH PETERS, THE REGISTER OF COPYRIGHTS

Mr. Chairman and Members of the Committee: Thank you for the opportunity to present the Copyright Office's fiscal year 2007 budget request.

The Copyright Office is requesting the Committee's approval of four program changes for the Copyright BASIC appropriation. There are three offsetting collections authority changes and one in net appropriations. In offsetting collections, we are requesting a $1,590,901 decrease in the Reengineering Program funding due to fewer funds in the no year account, an $850,000 decrease due to a decrease in renewal receipts, and a $600,000 increase due to an overall increase in receipts from other service fees. In new net appropriation authority, the Office requests $1 million to digitally image the pre-1978 public records to mitigate the risk of loss and to make them available online. I will discuss these requests in more detail, after I provide an overview of the Office's work and accomplishments.

REVIEW OF COPYRIGHT OFFICE WORK AND ACCOMPLISHMENTS

The Copyright Office's mission is to promote creativity by sustaining an effective national copyright system. We do this by administering the copyright law; providing policy and legal assistance to the Congress, the administration, and the judiciary; and by informing and educating the public about our nation's copyright system. The demands in these areas are growing and becoming more complex with the evolution and increased use of digital technology.

I will briefly highlight some of the Office's current and past work and our plans for fiscal year 2006.

Policy and Legal Work

We have continued to work closely with the Senate Committee on the Judiciary, its Subcommittee on Intellectual Property, and its House counterpart. In May, I testified before the Senate Subcommittee on International Piracy of Intellectual Property, highlighting the fact that piracy is one of the most enduring copyright problems throughout the world and the Office's efforts, together with other Federal agencies, to reduce piracy to the lowest levels possible.

I also testified twice last year on ways to modernize music licensing in a digital world. In June, I testified before the House Subcommittee and in July, I testified before the Senate Subcommittee. During the first hearing, I focused on the possibility of permitting "music rights organizations" to license on a consolidated basis both the public performance right of a musical work as well as its reproduction and distribution rights. In the second hearing, I considered alternative solutions to the music licensing dilemma, including a blanket statutory license for digital phonorecord deliveries. These hearings and meetings with representatives of the affected industries produced a consensus that Section 115 of the copyright law should be modernized to reflect the needs and realities of the online world. However, there was no agreement as to how such modernization should be structured and implemented. Further work is needed in this area and I will continue to work with the interested parties and Congress on legislative solutions to the music licensing problem in this and the next fiscal year.

I testified before the Senate Committee on the Judiciary in September to examine legal and policy issues in the wake of the Supreme Court's June 27, 2005, decision

in *Metro-Goldwyn-Mayer Studios, Inc.* v. *Grokster, Ltd.* which clarified the doctrine of secondary liability as it would apply to those who offer products and services in a way that induces others to engage in copyright infringement. I testified that the Court's ruling seemed to strike an appropriate balance between the rights of copyright holders and the flexibility necessary to enable and encourage technologists to continue to develop new products and, thus, there was no immediate need for new legislation. I used the word "seemed" because, at the time of the hearing, only three months had passed since the ruling and it was simply too early to tell whether Grokster would provide sufficient guidance for the years and circumstances to come.

The Office implemented a new preregistration system, as required by the Family Entertainment and Copyright Act of 2005, Public Law 109–9, within the statutory six-month time frame. Preregistration of an unpublished work being prepared for commercial distribution allows a copyright owner to bring an infringement action before the authorized publication of the work and full registration, making it possible, upon full registration, to recover statutory damages and attorney fees. The electronic preregistration filing system became operational on November 15, 2005.

The Office also conducted two studies in 2005. First, Senators Orrin Hatch and Patrick Leahy requested that we examine the issue of "orphan works," copyrighted works whose owners are difficult or impossible to locate, to determine whether there are compelling concerns that merit a legislative, regulatory or other solution; and if so, what type of solution could effectively address these concerns without conflicting with the legitimate interests of authors and right holders. As part of our efforts to produce this study, the Office collected over 850 written comments from the public and held roundtable meetings with dozens of interested parties in the summer of 2005 in both Washington, D.C. and Berkeley, CA. The Report on Orphan Works was delivered to Congress in January 2006. Second, at the request of Congress, we have also conducted a study to examine the harm to copyright owners whose programming is retransmitted by satellite carriers under a statutory license in Section 119. This report was also delivered to Congress in January 2006.

In addition, the Office has initiated its triennial rulemaking on exceptions from section 1201 prohibition on circumvention of technological measures that control access to copyrighted works and has received public comments. In addition, we will conduct hearings in Washington, D.C. and Palo Alto, CA. to elicit further information from the public. The study will be concluded in fiscal year 2007, at which time, I will make my recommendations to the Librarian of Congress on classes of works that should be exempted from the section 1201 prohibition on circumvention.

We have also been actively involved in the implementation of the Copyright Royalty and Distribution Reform Act of 2004 (CRDRA), Public Law 108–419, which became effective on May 31, 2005. This Act phases out the Copyright Arbitration Royalty Panels (CARPs), a program administered by the Copyright Office, and replaces them with a new Library program which is independent of the Copyright Office and employs three full-time Copyright Royalty Judges (CRJs) and three staff. This organization is known as the Copyright Royalty Board. At the outset of the program, I worked diligently with my colleagues to identify and recruit the three highly qualified individuals who the Librarian appointed to the Board in January 2006.

The primary responsibilities of the CRJs, as with the CARPs which preceded them, are to set rates and terms for the various statutory licenses contained in the Copyright Act and to determine the distribution of royalty fees collected by the Copyright Office pursuant to certain of these licenses. The CRJs have the additional responsibility to promulgate notice and recordkeeping regulations to administer some of the statutory licenses. In accordance with the rate setting schedule set forth in the law, the Board has initiated three rate setting proceedings and it will conduct hearings in fiscal year 2007 to set rates for the transmission of sound recordings over the internet.

We have worked closely with the Board to insure a smooth transition from the old system to the new and we have taken steps to conclude open and pending distribution and rate setting proceedings that were commenced under the Copyright Arbitration Royalty Panel (CARP) program. The conclusion of these proceedings, however, does not end my involvement in the determination of statutory rates and distributions of royalty fees. Under the Reform Act, the Board must seek a legal opinion from me on any novel question of copyright law and may seek a written determination on other material questions of substantive law. Such determinations shall be binding as precedent upon the Copyright Royalty Judges in subsequent proceedings.

During fiscal year 2007, we will continue to take an active role in a number of important copyright cases, many of which challenge the constitutionality of various provisions of the Copyright Act, and continue to provide ongoing advice to executive branch agencies on international matters, particularly, the United States Trade

Representative, the Department of Commerce, and the Department of State; and participate in numerous multinational, regional and bilateral negotiations.

Registration and Recordation

Registration of claims to copyright, including renewals, and recordation of documents, such as assignments, security interests, and mergers, are critical parts of the U.S. copyright system. Timely registration secures to owners certain benefits and provides a public record of copyright ownership. The Office has significantly improved its delivery times for these services since 2001.

During fiscal year 2005, the Copyright Office received 600,535 claims to copyright covering more than a million works and registered 531,720 claims. The Office maintained an average of 80–90 days to issue a registration certificate, a significant improvement over processing times at the beginning of the decade. We also reduced the average processing time for the creation and posting of online copyright records by 50 percent.

The Copyright Office records documents relating to copyrighted works, mask works, and vessel hull designs and creates records of those documents. These documents frequently concern popular and economically significant works. The Office recorded 11,874 documents covering more than 350,000 titles of works in fiscal year 2005. The average time to record a document was 50–60 days.

These achievements took place during a period marked by a significant investment of staff resources to reengineer Copyright Office processes and to move online copyright records from legacy systems to a database in Endeavor System's Voyager.

We expect a significant decrease in renewal registrations in 2007, due to the expiration of the renewal provision in the law. Renewal registrations only apply to works that were copyrighted before January 1, 1978, the effective date of the current copyright law. Before 1978, if a work was published with the required notice of copyright or an unpublished work was registered in the Copyright Office, it received an initial term of copyright protection of 28 years, and a renewal term that initially was 28 years and today is 67 years. To receive the renewal term, a renewal registration had to be made in the last year of the initial term, i.e., the 28th year. The last date for 28th year renewals was December 31, 2005.

The law was changed in 1992 to make renewal registration voluntary. This law applies to works copyrighted between January 1, 1964, and December 31, 1977. There were certain benefits gained by renewing in the 28th year, but if no renewal claim was registered in the 28th year of the term, renewal was automatically secured on the last day of that year. However, even if renewal is automatically secured, i.e., no renewal application was submitted in the 28th year of the initial term of copyright, a renewal claim may be submitted after the 28th year and some benefits flow from such a registration. A number of such registrations are made each year and we expect to receive 2,000 to 3,000 renewals in this category compared to the 16,000 to 18,000 renewals we have been receiving per year.

The President signed the Family Entertainment and Copyright Act (FECA), Public Law 109–9, on April 27, 2005. As mentioned earlier, this legislation amended the copyright law by the addition of a new provision, § 408(f), establishing preregistration. Preregistration, as distinct from registration, is available only for unpublished copyrighted works in categories that the Register of Copyrights finds to have had a history of infringement prior to commercial distribution. Unlike registration, preregistration requires only an application which includes a description of the work and a fee. Preregistration is an online service only; it is part of the new information technology system called eCO (Electronic Copyright Office). From April 2005 through the end of the fiscal year, the Office completed intensive work to prepare the electronic preregistration application form and help text, and to do the related IT development, process analysis, and training required to implement on November 15, 2005. Much of the development work that was done for the preregistration system will be applied directly to the electronic registration system that will be piloted in April 2006.

Public Information and Education

The Copyright Office responded to 362,263 requests for direct reference services and electronically published thirty-nine issues of its electronic newsletter NewsNet—a source that alerts over 5,000 subscribers to Congressional hearings, new and proposed regulations, deadlines for comments, new publications, other copyright-related subjects, and news about the Copyright Office.

The Office website continued to play a key role in disseminating information to the copyright community and the general public. The Office logged close to 30 million external hits to key web pages in fiscal year 2005, representing a 49 percent increase over the previous year. The website received several enhancements, includ-

ing introduction of RSS (Really Simple Syndication) feeds by which members of the public can receive instant notification of updates and revisions on pages that change frequently. There is a new history page that includes biographies of former Registers of Copyright, annual reports dating back to 1870, and previous copyright acts. The website is also part of LCNet, a new gateway for members of Congress and their staff.

Licensing Activities

The Copyright Office administers certain provisions of the copyright law's statutory licenses. The Licensing Division collects royalty fees from cable operators for retransmitting television and radio broadcasts, from satellite carriers for retransmitting "superstation" and network signals, and from importers and manufacturers of digital audio recording products for later distribution to copyright owners. In calendar year 2005, the Office collected $212.6 million in royalty funds and distributed $150.7 million to copyright owners.

Reengineering Program

The Copyright Office's seven-year Reengineering Program initiative is to redesign delivery of its public services. This program is customer driven to prepare our Office for the future growth in electronic submissions. The Office had planned for the reengineering implementation to be completed in the first half of fiscal year 2007, to include moving staff offsite so that its space in the Madison Building could be renovated in one phase. However, due to infrastructure and offsite lease requirements, the program cannot be completed until the third quarter of fiscal year 2007. The program has four major components—process, information technology, facilities, and organization that will be fully implemented in fiscal year 2007.

Process

Accomplishments in the process component closely tracked IT development. Pilot projects began in fiscal year 2005 to test both the new processes and the new IT system, eCO. In the Registration Pilot, several thousand actual copyright registrations for motion pictures were made using most of the new processes—incoming paper forms were scanned, hard copy deposits were bar-coded and tracked, and all internal processing and correspondence was done in the eCO system.

Other pilots included the Deposit Selection Pilot, during which examiners successfully made selection decisions for certain routine monographs and musical works for the Library of Congress. In an Electronic Deposit Pilot, selected publishers submitted electronic versions of works via the internet, in preparation for electronic registration and possible future deposit of electronic formats for the Library's collections. As I mentioned earlier, the new preregistration service was implemented in eCO with an online-only application and completely paperless process. This service successfully uses Treasury's Pay.Gov for fee payments.

Information Technology (IT)

During fiscal year 2005, the Copyright Technology Office (CTO) continued to work closely with the system development contractor SRA International, on the analysis, design, and building of the new Copyright IT systems infrastructure that will support the reengineered business processes. The CTO also made further significant progress on the conversion of the historical files of copyright registrations and recordations to MARC format and the preparation for access to the records through the Voyager system.

To ensure compliance with the Library's new system security regulation and newly issued security directives, the Office established a Security Review Board (SRB), made up of Copyright staff and consultants. During the 10 weeks preceding the implementation of the Registration Pilot, the SRB created a System Security Plan defining the security requirements, conducted a risk assessment, carried out a security compliance test and evaluation, and made recommendations to Copyright Office management about the security status of the software for this pilot. As a result, the Office received an interim authorization to operate and the system moved to production.

In fiscal year 2006, the Office plans to expand its implementation of an on-line web portal—eCO Service—to allow the public to apply for copyright services online and pay with a credit card or bank account through Pay.Gov. Claims processing through the web portal will initially be a pilot to allow for full testing of the system before making it available to all the public in 2007. Additionally, we will use eCO to search a Voyager database of copyright records dating back to January 1, 1978.

In fiscal year 2007 the Office plans to complete the IT component by transforming eCO Service from a pilot to full operational capability for processing copyright claims and issuing registration certificates, processing statements of account for

statutory licenses, processing acquisition demands under section 407, and recording transfers, assignments, and other documents.

Facilities

In November 2004, the Library appointed a project manager funded by the Copyright Office to oversee the Madison Building renovation project and coordinate attendant swing space moves within Capitol Hill and offsite. The Copyright Office hired a move management company to oversee the moves offsite and back to the Madison Building. In late September 2005, after an extensive search for temporary offsite lease space, the Library signed occupancy agreements with Government Services Administration (GSA) for space within two buildings in Crystal City, VA. In December 2005, an RFP was issued for construction of the offsite rental space. A contract was awarded in February 2006 and construction began in late February. Most of the Office's staff will move offsite in early July 2006. The remaining operations and staff will be located in the Adams and Madison buildings. We expect all staff to return to the Madison renovated space in July 2007.

Organization

The Office completed new and revised position descriptions to support the new processes for most of the divisions in the new organizational structure. Preliminary work was done to prepare for the "cross-walk" of staff from current to new positions and from the current divisions and sub-units to the new ones. The Office began drafting documents required for the reorganization package as specified in Library of Congress regulations. In fiscal year 2007, the new organization and positions will be implemented, coinciding with the return of the staff to the Madison Building and the implementation of new processes.

FISCAL YEAR 2007 BUDGET REQUEST

Reengineering

No new funding is needed for reengineering for fiscal year 2007. Rather, the Office is reducing its offsetting collections base by $1,590,911 as a result of fewer funds remaining in the no-year account.

Renewal Receipts

With respect to renewal registrations, the Office is reducing its offsetting collections authority by $850,000 and five staff due to the fact that the number of renewal registrations will decrease significantly in fiscal year 2007.

When renewal registration was required, the Office registered approximately 52,000 claims. Since the enactment of the automatic renewal provision in 1992, the number of renewal claims have decreased each year. In fiscal year 2005, the Office received approximately 15,893 renewal claims bringing in fees of approximately $1.2 million. In fiscal year 2006, we believe that amount will drop to about $500,000 and in fiscal year 2007 to about $150,000. Our records show that approximately 5,500 renewal claims were received in October, November, and December 2004. This has decreased to 4,839 for the same period in 2005 and is expected to decline throughout the rest of fiscal year 2006.

Overall Fees Increased

Over the past two years, the overall fees collected for the Basic Fund have gradually increased and are projected in fiscal year 2007 to exceed the normal receipts level of approximately $23 million by $600,000. This is based on more dollars being received across all the fee products, not from a change in the fee schedule. Based on this trend, the Office requests a permanent $600,000 increase in offsetting collections authority.

Copyright Records Preservation

The Office requests funding to digitize the pre-1978 copyright records. The key objectives of this record digitization project are (1) disaster preparedness preservation of pre-1978 public records and (2) provision of online access to those public records. Copyright records are vital to the mission of the Library of Congress and the Copyright Office and they are important to the public and the copyright industries that are a significant part of the global economy. The pre-1978 records document the ownership and copyright status of millions of creative works. Loss of these sole-copy public records due to a site disaster would trigger a complex and expensive intellectual property ownership dilemma. Additionally, the unavailability of pre-1978 records online has been raised as a major issue in the study on the problem of "orphan works."

During fiscal year 2005, the Copyright Office, with the Library's Office of Strategic Initiatives, completed the Copyright Records Project study of the feasibility of digitizing millions of these paper records and developing technical approaches for integrating the resulting digital records with post-1977 digital records. The project team completed testing of vendor capabilities to digitize and index sample records. A comprehensive report of the project provided implementation strategies, cost estimates, and a recommendation for how the conversion could be handled in two stages.

The first stage would cost approximately $6,000,000 over a six year period and would achieve the preservation goal and very basic online access. The second stage would add item level indexing, enhanced searching and retrieval, costing between $5,000,000 and $65,000,000 depending on the extent of fields indexed. The Copyright Office is requesting for fiscal year 2007 the initial $1 million to begin the first stage.

FUTURE FEE INCREASE

On November 13, 1997, Congress enacted the Technical Amendments Act, some provisions of which are now codified in 17 U.S.C. § 708. The law requires the Register of Copyrights, whenever appropriate, to conduct a study of costs incurred by the Office for the registration of claims, the recordation of documents and other special services. On the basis of the study and public policy considerations and subject to congressional review, the Register is authorized to increase statutory and related fees to recover reasonable costs adjusted for inflation. Furthermore, the new fees should be fair and equitable and give due consideration to the objectives of the copyright system.

The last time the Copyright Office raised fees was July 2002. The basic filing fee was set in 1999 and has not increased since that time. Historically, a change in the charge for services usually causes a drop in customer demand in the fiscal year following the increase and then a gradual rise in demand over the next two years. The possibility for raising fees was considered in 2001–2002. Because the Office had just begun its reengineering project to implement electronic registrations, and that project was to have been completed in 2006, the fee increase was postponed to coincide with the implementation of the new electronic system. However, since the implementation date for the new system is now summer 2007, we believe that we should move forward with a change to fees now.

I have received fee recommendations based on a cost study developed by a task group. We will complete the required economic analysis and propose a schedule of fees to Congress in March 2006 to be effective July 1, 2006. The Office will publish a notice in the Federal Register to announce a proposed fee schedule. Based on a year's experience under the revised fee schedule and the new business processes, the Office expects to adjust the mix of net appropriation and offsetting collections authority in its fiscal year 2008 BASIC budget submission to Congress.

CONCLUSION

Mr. Chairman, I ask you to support the fiscal year 2007 Copyright Basic budget request for a permanent net decrease in offsetting collections for the BASIC appropriation and a one time $1 million increase in net appropriations for the Digital Imaging project.

Our fiscal year 2007 budget will allow us to implement the final steps of our Reengineering Program. Once implemented, the Office plans to further reduce both its net appropriations and offsetting collections authority in the fiscal year 2008 budget request as well as adjust the net appropriations and offsetting collections based on the implementation of new fees. We appreciate your continued support for the Reengineering Project that will transform the way we do business and meet the public's demand for electronic services.

I thank the Committee for its past support of the Copyright Office requests and for your consideration of this request in this challenging time of transition and progress.

LOGISTICS CENTER COST

Senator ALLARD. Thank you very much. I have a few questions. It should not take us too long this morning to get you on your way.

On the logistics warehouse, I am glad to see that you recognize that this is a pretty big chunk that we are looking at. The total overhead is about 18 percent. You have 10 percent that is being as-

sessed by the Architect and you have 8 percent by the Corps of Engineers. It sounds excessive. I wonder if, with two supervising agencies, we have a duplication of effort. I wonder if you could comment on that.

Dr. BILLINGTON. Well, I think I would defer to General Scott on this issue, except to say that the basic construction cost, the $41 million, is about what was approved for the last two book modules approved last year, and there is this question of construction oversight fees, as you indicate.

I would just say briefly that the importance of this can hardly be overestimated. It is essential to effect this kind of consolidation for the Library's entire distribution function. It is not just a warehouse; it is a logistics center that will more efficiently do what is being done less efficiently at four separate locations at higher costs, to be precise.

LOGISTICS CENTER REVIEW

We plan to discuss on a line by line basis in a very careful way all estimated costs with the Architect of the Capitol. But I will defer to General Scott, who has been more deeply involved in the planning.

General SCOTT. Thank you, Dr. Billington. Thank you, Mr. Chairman.

The Library is very concerned about the oversight costs and contingency reserves. These are costs as you correctly point out, by the AOC and the Corps of Engineers, which we have no control or influence over. However, we have and will continue to engage them to ask them to help us look for ways that we can reduce those costs and still receive the kind of expert construction oversight that is required to put up that facility.

We also, as Dr. Billington mentioned, will go through a line by line study to ensure that any type of savings that we can propose will be realized and we can reduce the price.

One of the other additional costs related to that facility came about as a result of concern from some of the citizens of that area who wanted there to be more of a look to blend with the neighborhood of the Fort Meade facilities. That has added more money than would otherwise be needed.

So we will revisit all these estimated costs, but in the end we are very much concerned about them. We are engaged with the AOC and we will appreciate anything the subcommittee can do to help us work with the AOC to reduce these costs.

GOVERNMENT PERFORMANCE AND RESULTS ACT (GPRA)

Senator ALLARD. I am going to have my staff talk with the Corps of Engineers as well as the Architect of the Capitol on these administrative costs and express to them my concerns about how high they are.

Now, we do not have the Architect of the Capitol under what is referred to as the performance assessment and review tool (PART) program. This is the method that the Office of Management and Budget uses to measure performance within the agencies of the Federal Government. The legislative agencies are not required to

be under this. Executive branch agencies are required to justify actions and assess results that we can measure here in Congress.

And if they do not measure very well, it impacts how favorably their budget is considered. If they are rated as, for example, ineffective or results not demonstrated, their budget would be cut.

FEDERAL AGENCY OVERHEAD

So, you are the customer of the Army Corps of Engineers, and we will have our staff talk to them. When we have these overhead costs, we need to be sure they can justify them, that they are measurable from a customer satisfaction standpoint. Frankly, I want to see more of our legislative agencies under that program because as legislators and policymakers it gives us the ability to measure performance of the various agencies.

And while we are on the subject, we would encourage the Library of Congress to also look at this kind of accountability when you report to the subcommittee, because it is valuable for policymakers and it does help us do a better job for the taxpayers of this country.

This particular article, just for your information, we got this out of Congressional Quarterly, page 538 and 539, so you can look at the program if you are not familiar with it. This is an opportunity for us to have more accountability and oversight of these agencies. I think they are way too high, these administrative costs.

GOVERNMENT PERFORMANCE AND RESULTS ACT AND LIBRARY PLANNING

General SCOTT. We certainly appreciate your assistance in this, Mr. Chairman. Yes, we too appreciate the value of GPRA standards because we have been implementing GPRA since 1997. To a certain degree, the cost savings that we have been able to show with this 2007 budget came as a result of follow-on to GPRA and coming up with an annual activity and performance plan. From that plan we create the operating plan that we give to the Congress. So we appreciate GPRA, and we certainly appreciate what you might do to help us.

Senator ALLARD. The nice thing about it is you are not necessarily just counting beans. What you do hope to put in place are some goals and objectives that are measurable from a consumer standpoint: Who is using that agency? Who is using their services? And how are those customers' needs being met? So I think it helps us all do a better job in that. We have to measure results.

COPYRIGHT DEPOSITS FACILITY

Also, one other question now. You have requested money for this logistics warehouse. In the 2005 budget, we had a copyright deposits facility project. Would you explain to me why we now have the logistics warehouse that seems to have a higher priority than the copyright facility when the copyright facility was requested back in the 2005 budget?

Dr. BILLINGTON. Well, the copyright deposits facility is extremely important. It is very difficult to make choices of this kind, but the logistics center need is a more immediate one. We are moving ahead thanks to the Congress' approval in 2003 and 2004. This is

a year of important transition for the Copyright Office. Fiscal year 2007 is the last year of the reengineering project. The staff must relocate for 1 year while their facilities are reconfigured. The logistics issues affect distribution and storage, and the related safety and security problems seem to us essential this year. The copyright facility, which I think the Library will have to come back for next year, is equally important, but perhaps a little bit more deferrable because of the redesign that is taking place to facilitate a modular construction approach. It will be an essential request next year. It is not a lesser priority; it is just a different priority and one that fits next year with the overall schedule because of the redesigned modular approach.

Senator ALLARD. Well, thank you.

Dr. BILLINGTON. General Scott wanted to add to that.

General SCOTT. I believe, Mr. Chairman, we were asked to take another look at the redesign of that copyright deposits facility, which we did. Then we only switched priorities temporarily while coming up with the redesign, making a determination that it would be more advantageous for the Library to go ahead with the logistics center at this time rather than with the copyright facility this year.

INTRODUCTION OF INSPECTOR GENERAL

Senator ALLARD. I am one legislator who utilizes the agencies that are sort of the eyes and ears of the Congress. GAO is one. Another one is the Inspector General. I know that the Inspector General has expressed some concerns about the cost on this and I understand that Mr. Schornagel is here with us today. I would like to have him come up if you would, please, and make any comments that you care to make about this proposal.

Mr. SCHORNAGEL. My name is Karl Schornagel, Inspector General.

LOGISTICS CENTER REVIEW

As you have already stated, I have concerns about the cost of this warehouse. I just learned of the total price a couple weeks ago and I expressed concerns immediately. I also raised in March 2005 some concern about the size of this warehouse. I am in the process of getting information from the Library as we speak, and there is an important report that is going to be issued by one of the Library's contractors that should shed some light on this issue.

Senator ALLARD. When is that supposed to come out?

Mr. SCHORNAGEL. Next week.

Senator ALLARD. Next week, okay.

Mr. SCHORNAGEL. I also share the Librarian's concern that the whole cadre of storage facilities at Fort Meade is behind schedule about 5 or 6 years. There certainly is a need to get some of these buildings put up.

Senator ALLARD. So would you be more specific about some of your concerns about cost overruns?

Mr. SCHORNAGEL. Yes. I am concerned that about $15 million of that $54 million in cost is oversight and contingency. I am especially concerned about multiple layers of oversight. About $7 million of that is for AOC oversight and administration, more than $3

million for the Corps of Engineers. There is $6 million in reserves and contingency, plus another 25 percent in price escalation.

I also have issues about some of the individual cost components of the warehouse itself that range anywhere from microwave ovens to the sod for the front lawn. I believe that the whole cost issue and approach needs to be reviewed more thoroughly.

Senator ALLARD. I hope that while you review this project, his suggestions will be helpful in trying to figure out ways in which we could bring down the cost of this.

In the past you have raised concerns about poor space management at Library facilities, including the warehouse at Landover——

Mr. SCHORNAGEL. Yes, that is true.

Senator ALLARD [continuing]. That the new facility would replace. Have these concerns been resolved?

Mr. SCHORNAGEL. Well, not fully. That is what I mentioned earlier. In March 2005 I issued an audit report that found inefficient use of the space. As a result, about 20 percent of the inventory items were deleted. These are items that were either excess or obsolete. As part of that audit report, I recommended that the size of the new warehouse be reconsidered in light of this new efficiency gain and, to my satisfaction that has not fully been addressed yet.

Senator ALLARD. So we have excess capacity that is being poorly managed in the Landover facility?

Mr. SCHORNAGEL. Yes, that is true.

Senator ALLARD. Okay.

Mr. SCHORNAGEL. And I have other issues. For example, the reference to the new warehouse is in terms of square feet, but when you consider that the proposed warehouse is going to be taller, it actually increases the capacity per square foot because you have to look at cubic feet. Issues like that are relevant to the plans for this new warehouse.

CONGRESSIONAL RESEARCH SERVICE REALIGNMENT

Senator ALLARD. Thank you for that insight.

On the CRS realignment, the CRS determined last year that some 59 production support, technology support, and audio-visual positions were no longer needed and the affected employees were offered a buyout in January. Those who did not take the buyout could be subject to a reduction in force later this year.

Can you describe the process that CRS went through to make that determination that the positions were not needed, Dr. Billington?

Dr. BILLINGTON. Well, I will defer to the Director of the Congressional Research Service to respond in detail. I will point out that this is part of the workforce transformation process. The needs of the Service to deliver, and particularly to integrate the electronic aspects of the Service have been increasing greatly. We need to reconfigure the workforce to deal simultaneously with both the digital component of information delivery, including the successful mining of the vast amount of public policy research, as we continue our traditional artifactual work.

So the Library is undergoing very important transformational changes currently. I will let the Director of the Service speak more directly to the particulars.

TECHNOLOGY AND STAFFING

Senator ALLARD. Dan Mulhollan, would you like to come up?

While he is coming up, Dr. Billington, I have to tell you I am very sympathetic with your challenges in moving to a high tech operation. Those are huge challenges and they create some obstacles as far as managing your workforce. These are challenges we both have to face.

Dr. BILLINGTON. Servicing the Congress is our first priority. We are the Library of Congress, and making sure that that conversion moves ahead so the Service can be as effective, timely, dependable and objective as it has always been is a very high priority.

Senator ALLARD. Well, the high technology requires a higher level of expertise and it is more efficient in many ways. The user of the Library can more quickly search out the information through computer search.

Dr. BILLINGTON. It used to be in the early days of the information revolution that the IT part of an institution was where the expertise would be concentrated. It now has to be developed thoroughly and integrated into the direct service components much more seamlessly and much more immediately. I will let the Director speak to the details.

OPENING STATEMENT OF CONGRESSIONAL RESEARCH SERVICE DIRECTOR

Senator ALLARD. Mr. Mulhollan.

Mr. MULHOLLAN. Good morning Senator. We welcome the opportunity to discuss this issue. I appreciate it.

As a matter of good business practices, CRS reviews its activities and positions continually and has for years. What we identified is, particularly in the functions of production support and audio-visual functions, that the positions we had established in the early 1990s, which corresponded to the technical functions at that time, were no longer relevant to the technical skills needed with a more sophisticated, centralized IT operating system. For instance, production support activities are now seamlessly integrated into network software. Numerous technical support positions had been created to install new hardware as well as software packages and upgrades machine by machine. Now, with "push" technology and a fully integrated network system, those functions no longer are needed.

We also found an underuse of the Service's audio-visual functions, as well as the changes in technology.

Our responsibility is to maintain analytical and research capacity and these decisions were based on our ensuring we could do that. Given the fact that we had a certain amount of money available, workforce reengineering seemed necessary.

We had announced to staff on September 22, 2005 that we were going to eliminate 59 support positions effective September 30, 2006. To my knowledge, there is not another agency that has given their staff 1 year in order to find other jobs. In addition, with your help from last year, we offered separation incentives as well as get-

ting early out authority from the Office of Personnel Management in order to provide more options to staff.

Twenty-three of the 59 took full or early retirement with the separation incentive. We have distributed to all staff in CRS the entire staffing plan for the remainder of the fiscal year. As of this point, three of the administrative positions were filled with affected staff, two staff accepted positions elsewhere in the Library. Five of the affected staff in those abolished positions have been placed. I anticipate there is some likelihood that some of the remaining affected staff are certainly competitive and may be selected for other jobs. Currently there are 31 affected staff remaining who will be without a job at the end of September.

According to our collective bargaining agreement and Library regs, if in fact those folks are not in another position by June, the Library of Congress will institute a reduction in force. My fondest hope is that prior to that time, every one of those people could find a job that they find meaningful and good.

PREPARED STATEMENT

Now, that said, one of the things that the Library is seeking your help for is approval of an administrative provision that would provide a safety net basically for reduction in force staff of the Library of Congress. The new provisions would allow a staff member of the Library who is facing a reduction in force to be in the executive branch's priority placement pool, if they want to continue their civil service. We would much appreciate your serious consideration of that provision.

[The statement follows:]

PREPARED STATEMENT OF DANIEL P. MULHOLLAN

Mr. Chairman and Members of the Committee: Thank you for the opportunity to appear before you today to present the fiscal year 2007 budget request for the Congressional Research Service (CRS). With regard to our fiscal year 2006 request, I would like to express my gratitude for the Committee's support. Despite the challenging fiscal environment, Congress found a way to provide some additional assistance in meeting the Service's mandatory pay and price-level adjustments, research materials, and staffing gap.

FISCAL YEAR 2007 BUDGET REQUEST

The CRS fiscal year 2007 budget request is $104,279,000, consisting of the fiscal year 2006 base plus an adjustment for mandatory pay increases for CRS staff, as well as the needed price level adjustment for the goods and services we acquire in the course of doing our work.

RESEARCH AGENDA

This past year Congress has functioned under enormous pressures. In addition to existing domestic and international issues, lawmakers faced many unanticipated policy concerns that drew on already strained resources, such as hurricane-related disasters, Supreme Court nominations, and control of mandatory spending through the budget-reconciliation process. Pressing issues such as these have required your full attention, and the Service has been at your side during these demanding times, providing expert research and analysis, grounded in institutional memory, tailored to specific needs, and made immediately available.

The character of the support we offered to the Congress this past year reflects the continuing and unbroken history of CRS' singular mission. We remain steadfast in supplying every committee and Member with analysis and evaluation of legislative proposals by identifying all components of the policy issues, estimating the probable results, and evaluating alternative options.

CRS has a research management framework that is structured to align with the policymaking needs of the Congress. Service-wide research planning makes possible a systematic and coordinated approach that affords important opportunities for interdisciplinary collaboration among experts across the Service. At the beginning of each congressional session, the Service's leadership and experts work alongside committees and Members, anticipating and identifying the major domestic and international policy issues to produce a research agenda. We continually reassess that agenda to address unanticipated circumstances. CRS' ability to respond to unexpected need for its services, while maintaining support for continuing domestic and international issues, highlights the depth and breadth of its services.

Before Hurricane Katrina even made landfall, we had compiled a list of CRS experts and identified the Service's relevant products, making them immediately available on our website. We contacted Members in the affected states and alerted them to available CRS support and services. We then assembled teams from relevant disciplines and policy areas to address Congress' concerns about hurricane victims' access to assistance; command and control in emergency management; federal financing of unprecedented, extended assistance in the form of food, shelter, health services, and general income support; challenges to rebuilding; and reestablishment of the social and economic stability of the region. CRS experts assessed pre- and post-hurricane conditions relevant to policy concerns, critiqued the focus and effectiveness of existing laws and programs, and evaluated policy proposals to bring relief to the area. Through briefings and consultations, in more than one hundred research products, and via specially designed sections of the CRS website, the Service provided the Congress with support during this major national disaster, which Congress addressed in more than one hundred hearings.

Other unanticipated legislative issues required slightly different approaches. For example, the Senate was called on for the first time in eleven years to carry out its advice and consent responsibilities in the Supreme Court confirmation process. However, more than one-half of the Senators and many congressional staff holding key positions in the process had no direct experience with such appointments. To support them, CRS provided legal expertise, research and analysis, and the insight resulting from institutional memory, acquired though several decades of support for Supreme Court and other judicial nominations. Through in-person briefings, reports, seminars and confidential memoranda, CRS informed Congress about committee and floor rules and procedures, the constitutionality of filibusters in relation to judicial nominations, status and prospects for the evolution of areas of law, and a history of congressional experiences with previous Supreme Court nominations. Additionally, aided by the digital scanning operations and the unique collections of the Library of Congress, CRS provided searchable online access to congressional documentation, including hearings, floor debates, floor statements, and votes, for eighteen successful and unsuccessful Supreme Court nominations. Most of this documentation, nearly 100,000 pages, had not previously been available digitally.

In April 2005, Congress adopted a budget resolution for fiscal year 2006 that included instructions to sixteen House and Senate authorizing committees. The instructions called for reductions in mandatory outlays over several years and for tax reductions and increased limit on public debt. To assist these committees and the Congress as a whole, CRS prepared explanations of budget process, procedures, and practices, some of which Congress had not exercised for eight years. Thirty-eight percent of the House Members and one-third of the Senate were not in their current roles in 1997, which was the last time Congress employed reconciliation to control spending. CRS briefed many Members and committees on these procedures. CRS also assisted in assessing the overall financial and policy implications of budget reconciliation measures, ranging from the specific options and their implications for trimming mandatory spending to the possible impacts on various programs subject to proposed changes.

MANAGEMENT INITIATIVES

CRS adapts in other areas to uphold our commitment to Congress. Consistent with my responsibility to lead an accountable and cost-effective organization and in response to congressional directives, CRS not only re-assesses its direct services to the Congress, it also continually examines the internal operations supporting that service. As Congress has indicated, new technologies can lead to greater efficiency, and CRS has completed a long-term study of the impact of information technology on our work processes. The resulting analysis indicated that CRS, through workforce re-engineering of some support functions, could reduce the number of support staff needed Service-wide and devote more of the resources to the our analytic capacity without any loss in productivity.

In 2005 CRS completed an examination of our production support, technical support, and audio-visual functions, those support functions most dramatically impacted by technological advancements. After extensive consultation we reached the decision to eliminate the outdated functions. The decision affected 59 staff, which is about 8.4 percent of the total CRS workforce. To assist these individuals, many of whom are long-term CRS employees, the Service announced the decision one year in advance, offered a voluntary early retirement option and a congressionally approved separation incentive, and provided continuing retirement and career counseling to the affected staff. This type of workforce self-examination is not new to CRS. As a result of similar assessments, CRS has eliminated or curtailed other functional activities over the years. Earlier situations also required CRS to eliminate positions, but in the past CRS was able to achieve the down-sizing through attrition. Given the fiscal year 2006 constraints, which require CRS to reduce its staff size by almost 30 full-time equivalents, it is not practical for CRS to retain indefinitely these employees, whose functions are not critical to the accomplishment of the Service's mission. It is our hope that the affected staff will either retire or find alternative employment before the functions are eliminated on September 30, 2006. If that does not occur, we will institute a reduction-in-force (RIF) in accordance with governing Library regulations and our collective bargaining agreement.

The Library of Congress is requesting the Committee consider an administrative provision that would grant Library of Congress employees, including those in CRS, who receive a RIF notice eligibility into a pool for displaced employees from all federal agencies for consideration for positions in executive branch agencies. This provision would place Library of Congress employees behind any affected employees in an agency undergoing a RIF in selection priority but ahead of applicants who have no federal service. Adopting this provision would give the Library's small pool of dedicated legislative branch public servants a broader potential employment base and could give employees the opportunity to enhance their civil-service careers beyond the Library of Congress.

Building on our current performance management system, and in response to Congress' request that legislative branch agencies consider the performance model set forth in the Government Performance and Results Act, CRS developed an enhanced system for assessing performance and reporting results to the Congress. The plan and reporting system, which are built around our singularly focused mission, use the key attributes of relevance, quality, accessibility, and management initiatives as concrete frames of reference for establishing performance goals. The plan groups performance goals into two distinct sets: one focused on research and the other on management. The management goals are essential to sustaining and improving agency efficiency in resource usage.

Congress has stated that it expects the legislative branch agencies to find opportunities to realize savings through outsourcing certain activities and functions. The Service has permanently outsourced several business functions that are now being performed successfully by contractors. These business functions include a centralized copy center, the CRS technology Help Desk, technology user-support services, mail and courier services, and receptionist and library technician positions. We have just awarded a new contract for the mail and courier services, which includes a revamped performance structure that resulted in the reduction of one contractor staff position and two mail clerk positions. We are currently expanding our technology Help Desk contract operation to provide extended hours of coverage to CRS staff, higher quality services, and a more sophisticated range of services. The Service is also expanding its contract support for graphics and product preparation. We are continually reviewing all of these operations to ensure the Service's business needs are being met in a manner that provides the best value and efficacy possible.

In the same spirit of achieving savings to focus our resources on supplying Congress with needed research and analysis, we are curtailing non-mission-critical activities, except as explicitly directed by the Congress. The Service has been working with its oversight committees to explore alternative approaches to translation services and to the indexing of congressional publications produced by CRS. In response to requests for translations, the Service is seeking to provide referral to outside service providers that have been certified by CRS as providing reliable and timely responses. Like translation services, the indexing function is largely outside the mission of the Service, and we are consulting with our oversight committees and the Joint Committee on Printing to work out a mutually acceptable arrangement with the Government Printing Office to assist the Congress with such services.

However, CRS remains responsive to all congressional needs, even non-mission critical ones, when Congress specifically directs us. For example, Congress requested CRS provide assistance to the House Democracy Assistance Commission and the House International Relations Committee on parliamentary development programs

in new democracies. CRS country experts are assisting the Commission in its selection of candidate countries. Our country and parliamentary assistance experts have been detailed to the House International Relations Committee to travel with Commission staff for needs assessment visits to candidate countries. The Service has also been asked to provide assistance to the Georgian, Indonesian, and other parliaments in developing their research services. Further requests for CRS assistance are likely to depend on the findings from future needs assessment visits. All travel is funded through the House Committee, but we continue to pay staff salaries. CRS leadership is carefully assessing this support to ensure that the capabilities of our staff remain available to meet other congressional demands.

CONCLUSION

CRS is responding directly to congressional instruction to submit reasonable budget requests and consider the overall fiscal constraints placed on the entire federal budget, to streamline by outsourcing, to leverage existing technology to enhance operational efficiency, and to look within for ways to complete our mission. The Service is responding to a federal fiscal environment that dictates the size of this organization be about 705 full-time equivalents. Cognizant of current fiscal realities and heeding congressional direction, the CRS budget request for fiscal year 2007 does not seek additional funds to support program growth. The Service seeks your support for the mandatory pay increases for CRS staff and price-level adjustments for goods and services.

CRS intends to complete the re-engineering of its administrative and support staff and will assess the actual impact of these actions, from both fiscal and functional perspectives, against the expected results. The Service will likely study other business functions to see if additional streamlining can be achieved and intends to continue its practice of reviewing all major contracts and business operations bi-annually to ensure that the Service's fiscal resources are being used in the most cost-effective and relevant manner possible. The results of these studies and re-engineering efforts are expected to provide meaningful business information that will guide the Service's decision-making and frame future management initiatives.

While the Service has remained steadfast to its mission and devoted to providing quality services to the Congress, CRS cannot afford to be static. An organization serving the Congress that is unable to change quickly, alter itself to increase efficiency, or adapt to new requirements is an organization bound to fail. CRS is mindful of this reality and has continually sought out and acted on pragmatic approaches that lead to improvements to better fulfill its mission.

Despite the many changes in Congress and within CRS, the Service of today is identical to the Service of 1914 in one way: our dedication to our mission to provide balanced, nonpartisan, authoritative expertise to the Congress, on time, on target and in forms useful to lawmakers. We will never change the course of our direction.

CONGRESSIONAL RESEARCH SERVICE REALIGNMENT SAVINGS

Senator ALLARD. So there is approximately $4.4 million in savings, and how is that reflected in the Library's 2007 budget request?

Mr. MULHOLLAN. You mean the 59 affected staff? Well, to give you an example——

Senator ALLARD. The savings from that, yes.

Mr. MULHOLLAN. Yes, but part of that savings, I think it cost roughly $600,000 to be able to provide a $25,000 separation incentive to each person. We used the balance of those salaries for the remainder of that fiscal year to provide the separation incentives, as an example. Because we had an overall $3.6 million—excuse me—$3.1 million shortfall, if you recall, last fiscal year and the committee gave us $1 million of our $3.1 million request to keep us at 729 FTEs. So we have requested a permanent reduction to 705, because we do not have enough money in our base in order to sustain the service at the 729.

As a consequence of this, you recall I mentioned that we were focusing our resources to maintain our analytical capacity. We are going to end up with a smaller workforce configuration—maintain-

ing the number of analysts needed to do the research and analytic work for the Congress, but fewer overall support staff.

CONSULTATION WITH CONGRESSIONAL RESEARCH SERVICE STAFF

Senator ALLARD. In your testimony you state that extensive consultation took place before you decided to eliminate production support, computer technical support, and audio-visual functions. With whom did you consult?

Mr. MULHOLLAN. The individual who did the studies spoke to every one of the affected staff in the examination of their positions.

Senator ALLARD. So the CRS staff was consulted?

Mr. MULHOLLAN. They were interviewed with regard to what they were actually doing and what the functions described in their position descriptions were.

Senator ALLARD. This was done before you made your decision, I assume?

Mr. MULHOLLAN. That is correct. They all were able to say, "this is what I do."

Senator ALLARD. Okay. Now, there are 31, as you mentioned, that still have not landed, so to speak, and could be subject to that reduction in force. What action specifically are you taking to work with the rest of the Library to find positions for those 31 staff?

OPTIONS FOR DISPLACED EMPLOYEES

Mr. MULHOLLAN. Well, first we are continuing to provide career counseling and career transition support—how to write a résumé, classes on how to apply for a job in the civil service. That is ongoing and available to each one of those 31 affected staff.

In addition, we are working closely with the Library of Congress and the head of the Library's human resources services. The Library has a great track record, from prior reduction-in-force events, of being able to find positions for those individuals. There is a commitment across the senior management of the Library, for which I am quite grateful, to do whatever possible to try to ensure that in fact there may be positions. While there are no guarantees, we are going to do everything possible to place any remaining staff.

That is why that approval of our proposed administrative provisions would be helpful for us in the future.

RETIREMENT INCENTIVES

Senator ALLARD. This is for Dr. Billington. In January about 186 employees took advantage of an early retirement and buyout incentive offered Library-wide, including the CRS staff we were talking about. Can you explain why the buyout was offered, what job functions were eliminated, and how much funding was freed as a result of the buyout, and how you are redirecting those funds?

Dr. BILLINGTON. I did not understand the last two points you made.

Senator ALLARD. Well, let's see. Explain why the buyout was offered and then what job functions were eliminated, and then how much funding was freed up as a result of the buyout. Why do we not just take them one at a time. Why did you offer the buyout?

Dr. BILLINGTON. Well, I think we will provide, with your agreement, the statistics for the record. I can answer the question in general and then we will give you the detailed statistics.

WORKFORCE TRANSFORMATION

First of all, we have a very large number of people who are eligible to retire. It is an aging workforce. This is the beginning of a general workforce transformation process and we wanted to give a significant buyout opportunity, which quite a number of people took.

On the day our employees were leaving, I met with many of them, and they said they appreciated the buyout.

It is part of the workforce transformation we are undergoing into the digital era. The buyout was a way of offering an opportunity to leave, which a great many people took.

I might point out that in the current budget submission the $781,000 is to assist the workforce transformation. We want to develop some newly defined digital competencies. We want to build leadership skills for people from the GS–5 to GS–9 category. We want to do everything we can to retrain as many staff members as possible and expand the range of opportunities.

This is a direction in which we are trying to move as rapidly as we can. We have to also recruit new people from the outside, but we really genuinely want to give as much opportunity for other jobs in the Library. The Library as a whole is facing a need to transform itself and there cannot be any guarantees, but I want to assure you that the Library as a whole will make every effort to make available alternate opportunities for people whose present functions are becoming obsolete. We have brought on as the head of training somebody who has had experience with one of the more successful programs in the Federal Government and we have been beefing up that staff.

We are very concerned about this problem in human terms, but at the same time we simply have to move ahead with this kind of transformation if the Library is going to continue to serve the Congress and the Nation properly.

We will provide you statistics and details for the record.

[The information follows:]

During fiscal year 2006, the Library requested approval from Congress to offer separation incentives and from the Office of Personnel Management (OPM) to offer early retirements. Consistent with the legislation governing these incentives and early retirements, the Library indicated that it needed to reshape and renew its workforce to match the highly-specialized skill sets that are replacing outmoded ways of filling its mission. Both Congress and OPM approved these requests. It should be noted that the Chief Human Capital Officers Act of 2002 (title 13 of the Homeland Security Act of 2002, Public Law 107–296), contained an explicit sense of Congress that the legislation's intent was to reshape and not downsize the Federal workforce. Since, 2002, executive branch agencies have used these authorities to meet the changing needs of the 21st century. In fiscal year 2005, Congress granted the legislative branch authority comparable to that of the executive branch. Thus the Library's implementation plan is consistent with the purpose of the Act; to reshape—not downsize its workforce.

The Library's fiscal year 2006 separation incentive programs addressed specific, critical workforce requirements in the Congressional Research Service (CRS), Library Services (LS), and Integrated Support Services (ISS). In the case of CRS, advances in technology, its deployment in the Service, and the technical skill level of incoming analytical staff rendered obsolete the services provided by its production

support staff, technical support assistants, and audio-visual staff. In addition, CRS required information professionals who could meet the redefined work, competencies, and skills sets of the Knowledge Services Group, created to better use the skills of librarians and other information professionals to serve the needs of Congress. Library Services needed to re-engineer its functions, redesign jobs, retrain current staff, and recruit new staff to meet the Library's digital requirements. For example, in the acquisitions and cataloging areas, staff will be required to manage digital assets that have distinctive retrieval and preservation requirements—more complicated than the traditional handling of printed books and journals. With more than 3 billion "hits" on the Web site annually, questions once asked in person are now coming from individuals we will never see in person. As a result, reference assistance and more collection curation must be performed online, changing the profile of and skills needed from a reference staff. Technological changes have also required new skill sets on the part of ISS staff. For example, printing is now created with sophisticated computerized tools and electronically transmitted with customer-driven requirements that generate high-impact graphics and images unimagined only a few years ago. Similarly, facility operations staff must have technical expertise to monitor buildings adequately and effectively with the sophisticated and integrated systems required by today's high technology workforce.

Approximately $16 million supported the salaries and benefits of the 186 employees participating in the early out and buyout programs. Redirection of this funding will enable the Library to hire new staff more quickly rather than waiting for current staff to retire at some unknown point in the future, increase contract support capacity—in areas where flexibility in staff support is needed as business plans evolve and are implemented, and invest in new equipment needed to support our innovative programs. This funding, combined with the $781,000 requested for workforce transformation, will ensure that the Library has the tools—that include not only separation incentives and early retirements, but also staff training, mentoring, career planning and counseling and digital competency skills development, needed to implement an integrated workforce renewal plan. The success of this plan is highly dependent on the resources available to carry out each part of the plan. If funding and FTEs are stripped away, the Library will be in a worse position than had we waited for employees to retire—a time line that was already impeding the Library's digital transition and transformation.

IMPACT OF RETIREMENTS

Senator ALLARD. The detail of these questions that we are asking is to provide us a thorough and complete answer. So the rest of the question on what job functions were eliminated and how much funding was freed up as a result of the buyout and how you are redirecting those funds, we would like to have a detailed answer on that. If you do not have that information in front of you now, we will give you a chance to give us a written response.

Dr. BILLINGTON. Yes, sir.

Did you want to add anything?

General SCOTT. No, I think that is the most appropriate way to handle it.

Senator ALLARD. Is that fine, General Scott?

General SCOTT. Yes, sir.

COPYRIGHT REENGINEERING PROGRAM

Senator ALLARD. Let me move on to the copyright reengineering. Now, that office has been engaged in a 6-year effort to overhaul its work processes, a project which involves major space renovation. The subcommittee provided over $9 million in the fiscal year 2006 budget for temporary office space and renovation of the existing space in the Madison Building. The effort now is 6 months behind, I am told.

Why has it been delayed and what is the impact on cost and is the project now on track for completion in 2007?

Dr. BILLINGTON. It is on track now. The delay was caused because of the difficulty the General Services Administration (GSA) had in finding a place that could house the Copyright Office for only 1 year instead of the conventional longer term lease, while the final stages of the reengineering were taking place. There were three different changes of locations resulting in changes to design specifications and so forth. There was a delay, but it is on track now and we are expecting that in July of this year, they will move out to another location in Crystal City and in July of the following year, they will be back in their full reengineered mode.

Meanwhile, the pilots and electronic registration are on track, if you want details, we have Julia Huff—the Register is unfortunately not available to be here today, but Julia Huff from the Copyright Office can answer this.

REENGINEERING PROJECT DELAYS

Senator ALLARD. In your efforts in working with the Architect of the Capitol and GSA, what could prevent the type of problems you have encountered in future projects of this kind?

Dr. BILLINGTON. Well, General Scott, do you want to address that?

General SCOTT. I have got some general ideas, but I think it would be best if we could hear from Julia, who has really been intimately involved in trying to re-schedule and keep things on track that mostly were way beyond the Library's control. Is Julia here?

Ms. HUFF. Yes.

Senator ALLARD. Julia, do you want to give the lessons learned?

Ms. HUFF. Yes, Mr. Chairman, I will. One thing that might have helped—we started working with GSA in early 2004, and we probably would have benefited from having our own project manager onboard at that time, and we did not add that project manager until 2005. He, along with the facilities team, has really kept on top of GSA and tried to move them along.

The lesson we have learned from GSA is that they have a very structured, layered organization and it just takes more time than we anticipated to get paperwork approvals, negotiations, and the like moved through all required steps.

Senator ALLARD. In short, they are bureaucratic?

Ms. HUFF. Yes, you might say that.

Senator ALLARD. Okay.

Ms. HUFF. They did not really respond immediately to our request for leased space. When they did, the space was too small, and then they switched buildings on us twice in Crystal City. All of this caused delays in the design. We had to do redesigns of the architectural work, for electrical work, for voice and data. We incurred more costs and delays because of these changes.

So yes, we are behind and it is because of the facilities piece. We might have started in 2003, but 2 years seemed like plenty of lead time when we first began.

NATIONAL AUDIO-VISUAL CONSERVATION CENTER—CULPEPER STATUS

Senator ALLARD. Very good.

On the National Audio-Visual Conservation Center. The Library will be taking possession of this new National Audio-Visual Con-

servation Center in early 2007. I really appreciate the opportunity to go out and tour that center, and I think we are all very appreciative of the Packard Foundation and all they have done as far as providing citizens of this country a very good facility.

I would just like to have an update on what the status is of this privately funded construction project, and then once it is operational do we have any idea what the annual operations and maintenance costs might be for that? I want to make sure we are making allowances for that in future budgets.

Dr. BILLINGTON. We can try to give you a precise estimate.

[The information follows:]

The Library's five-year request to Congress to acquire the new equipment and staff resources necessary to operate the NAVCC concludes in fiscal year 2008. Full initial operations will begin in fiscal year 2009, and ongoing annual costs beginning that year will be approximately $23.4 million for the Library. This estimate does not include the AOC's operating and maintenance costs for this facility. This estimate includes $11.4 million for salaries and benefits of the 139 Motion Picture, Broadcasting and Recorded Sound (MBRS) employees, 127 of which will be located at the Culpeper facility, $7 million for preservation digitization, $3.5 million for storage, and $1.5 million for infrastructure support. The operating capacities reflected in these costs were established based on our urgent need to preserve at-risk national heritage collections dating back nearly 120 years, as well as the need to begin ingesting significant new born-digital works. Fortunately, the proven technologies to achieve this have recently become available, and the Packard Humanities Institute's gift of the state-of-the-art NAVCC facility will allow the Library to take advantage of these technologies for the first time.

Dr. BILLINGTON. We were actually applying for less money for this because there was significant reduction in FTEs from last year, because a lot of that was for the transition period, where we had to install things in sequence and that required a little bit of a buildup in the last couple of years.

We can give you an estimate of how it looks. The current situation is that in November they turned over the ownership of the central plant to the Architect of the Capitol. This is a complex operation because the work is basically being done by the Packard Humanities Institute, but we are putting in the infrastructure. In December they turned over the ownership of the collections building to the AOC for occupancy by the Library and we have already begun moving staff and collections—we have six collection maintenance employees now out there working, and the first collection items just this past month were moved from Capitol Hill. The remaining collections will be staged for relocation from many different storage locations to be centralized into one location throughout this calendar year.

Construction continues on the conservation building and the nitrate vaults. The conservation building is where most of the staff will be moved. We will be saving $500,000 of annual lease costs, starting in 2008 as a result of the collections being moved to Culpeper.

NATIONAL AUDIO-VISUAL CONSERVATION CENTER—PACKARD CONTRIBUTION

Mr. Chairman, I cannot say exactly what the cost contribution from the Packard Humanities Institute will be, but it looks like it will be the largest single private capital contribution to a Government building in history. We have to confirm that. It would not be

if you multiplied by inflationary factors. But it is a very, very major contribution.

We think that the base will probably not be very different from what it is once we get over this bump. I will try to give you as precise estimates as we can of what is anticipated. It is going to be really quite an amazing facility. One thing that is particularly interesting and important about this for the long-range cost is that the capacity is so great out there that we should be able to accommodate for many, many years to come, even decades to come, the anticipated storage need. It is also the first facility that will have digital storage capability, so this is very, very important. It will reflect the standards that Congress asked the Library to establish some years back for audio-visual conservation. It will be the largest and the most up to date facility of its kind anywhere.

By this time next year it ought to be functioning, when it is finally conveyed from the Packard Humanities Institute through the Architect of the Capitol to the Library for its usage.

PERFORMANCE MEASUREMENT

Senator ALLARD. I want to press you a little bit on the Government Performance and Results Act. I would like to have you present this subcommittee with a few examples of how the Library measures its program performance and makes budget decisions based on program effectiveness.

I want something specific. So if you can answer that question for us if you are prepared to. I suspect you may not be, and you could present us a written presentation about some specific programs where you are applying it and making administrative decisions based on what you are seeing on the performance objectives.

[The information follows:]

Since 1997, the Library has used the GPRA model as a guide in developing and implementing its strategic plans and annual operating plans and performance reports. Library programs have made significant progress in developing goals and objectives that focus on measurable outcomes rather than outputs. Consistent with GPRA requirements, the Library is once again reviewing and revising its strategic plan which will include major changes to its goals, performance measures and targets, and assessment systems.

As part of the Library's annual budget process, each office reviews their base resources to determine if additional investments are needed to support the Library's goals and objectives. Over the past few years, this review has become increasingly important, as the transition to the digital age has required ongoing reengineering of our work processes. Based on congressional direction and cognizant of Federal budget realities, the Library took a hard look within and across organizations in determining its resource requirements for fiscal year 2007. As a result, our fiscal year 2007 budget request reflects only a 4 percent increase over fiscal year 2006, and a net decrease in FTEs—reflecting mostly mandatory pay and price level increases. Despite these limits on our budget request, the Library will continue to maintain relevance in the digital age with enhanced strategic planning and workforce transformation.

Some examples of how Library program offices applied GPRA principles in administrative and budget decisions include the following:

Copyright Office

As a standard practice, the Copyright Office monitors productivity and staffing levels and adjusts hiring and overtime decisions based on trends in receipts, productivity, processing time and amounts of work in process. Based on these reviews, the Copyright Office has taken actions such as cross-training staff to perform work in areas needing assistance, focused overtime in areas where processing time was longer, prioritized hiring for areas that were lagging in production. These decisions

were factors in a more than 50 percent reduction in average processing time for registrations since 2001.

The Copyright Reengineering Project is a multi-year effort to improve Copyright's business processes based on an analysis of its current services to the public. With the reengineering study recommendations, the Copyright Office developed a multi-year planning and budgeting strategy to reconfigure its current facilities, build a new IT system, and reorganize its staff within the new business processes. After the implementation of the reengineered processes and based on processing times, productivity rates and customer satisfaction findings, the Copyright Office will determine whether to reduce staffing in areas identified as overstaffed, reallocate and reassign staff based on workload across all areas and/or modify functions. One or all of these actions may result in changes in future budget requests.

The Copyright Office planned for a significant reduction in renewal fee receipts in fiscal year 2006 and beyond. The number of renewals has decreased over the past several years based on statutory changes that made renewal registration voluntary. As a result, the Copyright Office has requested a permanent decrease in its offsetting collections authority and a reduction of five FTEs in fiscal year 2007. The Copyright Office also determines its fees using activity-based costing methodologies to review costs of providing services while giving due consideration to the purposes of the copyright system and the statutory requirement that the fees be fair and equitable. As a result of this review, the Copyright Office submitted a new fee proposal to Congress on March 1, 2006.

Congressional Research Service

In early January-May 2005, CRS undertook three comprehensive studies of support areas: Production and Administrative Support, Technical Support Assistants, and Audio-Visual Support. The objectives of the studies were to identify the services and tasks currently performed by these support groups, determine the extent to which the services and tasks met the broader CRS staff support needs, identify any unmet support needs, and determine the most efficient and effective ways to satisfy all support needs in the aforementioned areas vis-a-vis the Service's investments in technology. For the past few years, these support functions were carried out by approximately 59 staff, at an fiscal year 2006 estimated cost of $4.4 million.

To accomplish these objectives, CRS reviewed the position descriptions for staff working in the support areas and, to ensure consistency, developed structured questions to collect needed data from a range of staff and using several methodologies. CRS conducted numerous interviews with mid- and senior-level managers, support staff in all three areas, and other staff who utilized the support services. Based on the data collected via document reviews, meetings, consultations, and interviews, CRS compiled comprehensive lists of the support services and tasks performed in each support area. Afterwards, study participants (i.e. managers, support staff, and users of the support services) were given copies of the lists and asked to verify the extent and frequency which the support staff performed the identified services/tasks.

The analysis supporting these studies led the Service's leadership to recognize that the services and tasks provided by the 59 positions had been overtaken by advances in technology (desktop tools and operating environment) and were no longer needed. The analysis demonstrated that new and different services and tasks were needed; therefore leading to a workforce re-engineering of the administrative staff. CRS has announced its intention to abolish the 59 outdated positions, effective September 30, 2006. The Service has also developed a cadre of fewer and new positions that will provide administrative support.

The Service's current budget can afford approximately 705 FTEs; however with the 2006 one percent rescission and the prospect of a similar action in 2007, CRS may need to adjust its FTE estimated ceiling down again. Retaining the 59 staff indefinitely would have adversely impacted the Service's ability to sustain an analytic capacity of between 335 and 350 staff while at the same time adjusting its total workforce to the 705 ceiling. The long-term results of the CRS workforce re-engineering will be to free up FTEs and funding which can be redirected to maintain the needed level of analytic capacity for the Congress.

For several years, CRS has maintained a business activity that provides courier delivery and pick-up services directly to and from all Congressional member offices, Congressional committee offices, the Capitol and CRS Research Centers as well as intra-Service mail pick-up and delivery. The operation has been staffed with a combination of contractor personnel and CRS staff—and at the time of the review (early- to mid-2005), the operation was staffed with 11.5 contractor personnel (including an on-site supervisor) at an annual cost of $432,000 and three CRS mail clerks at an annual cost of $131,500, for a total cost for this business activity of $563,500. The contract was at the end of its five-year life; and, as a result, CRS

took advantage of an opportunity to analyze fully the current workload statistics data as a means of updating the contract to better reflect the new ways in which CRS communicates with and provides information to the Congress—increasingly via electronic means.

CRS staff gathered, assimilated and analyzed historical financial cost information on each element of the work performed under this contract. They conducted extensive interviews with an on-site supervisor, particularly regarding tasks performed, methods employed, and operating procedures; staff toured the facilities, witnessed operations, conducted survey-level time and motion studies, spoke with the couriers, and discussed problems encountered and solutions developed; staff interviewed the CRS Contracting Officer's Technical Representative (COTR) regarding services performed under the contract, the history of the contractual services, and the performance of the contractor as well as performance standards prior to outsourcing; staff gathered, assimilated, and analyzed month-by-month statistical data, from 1999 through 2005 including: delivery of packages and books to Congressional offices (CRS provides this service the entire Library of Congress), pick-up of packages and books from Congressional offices, sorting and bundling of non-rush Congressional mail and delivery to House and Senate Post Offices, preparation of mail for Congressional district offices, and sorting of CRS mail.

The study concluded that the activity continues to provide a vital service which supports the core mission of CRS—basic to meeting the needs and fulfilling the requests of Congress and Congressional staff for information. Customer surveys, from both Congressional and CRS staff, reflected a high satisfaction level with both the service and the performance of the contractor. However, the workload statistics data confirmed that the number of items exchanged via the courier service had been, and continues to decline each year. The analysis revealed that the services could likely be performed by one, and possibly two, less personnel.

The study results provided CRS staff with substantive data that produced a renegotiated contract with ten contractor personnel and one CRS staff—a total annual cost reduction of $84,000 which has been redirected back into the Service's overall budget.

CRS has for many years maintained a contractor-operated technology help desk. The contract covered four highly skilled personnel to provide immediate desktop services to CRS staff. While there was no debate about the on-going need for desktop services given CRS's reliance on technology tools, this contract was at the end of its five-year life and warranted a thorough review in order to redefine the scope of work and level of expertise needed to match the technology environment of 2006 and beyond. This study was conducted at about the same time as the functional review of approximately 18 Technical Support Assistants.

The review began with an examination of the contract documentation, contractor workload statistics, monthly billings over the life of the contract, interviews with CRS program personnel, principally the COTR, to gather data on such questions as the services provided under the contract, the need for the activity, the definition of successful service delivery, methods and factors used to evaluate the contractor's performance. The financial data and contractor workload statistics were analyzed. The review included an assessment of contractor levels, current workload and the real cost of the activity, including the CRS management overhead, contractor management fees, and the cost of CRS staff with greater technical expertise at the GS–14 level who handle escalated service calls which are outside the scope of the help desk contract. Based on the review of documentation, interview data, and financial information, alternative methods of performing the activity were developed and a cost and benefits alternatives analysis was prepared.

On the surface, the viable alternatives costed out within $50,000 per year of each other; however, best business practices support that contracts typically provide the better short-term solution when the environment is changing. The Service's recent need for expanded help desk hours of coverage to better match the work hours of CRS analysts and information professionals (from 7:30 a.m. to 7:30 p.m.) is one example of needed flexibility. Another example is the need for expanded expertise to help integrate new software and operating systems into the Service's products, e.g., with sophisticated graphics and tables. The entire technology environment in CRS is undergoing a major transformation as the Service moves to a new authoring and publishing system. A contract will ensure that CRS has the flexibility to respond quickly to the specific work skills needed by the Service and to keep pace with continuing changes/advances in the field. This kind of flexibility could not be achieved with federal employees employed under specific job classifications, grade levels, or in a union environment, such as CRS, where "changes in work conditions" are generally bargainable. Even changes in work hours cannot be effected easily with CRS employees in the bargaining unit.

The new help desk contract will be awarded within the next few months.

Library Services

After analyzing its in-house costs for processing the same materials and seeking to reduce its costs, the Library contracted with its Italian book vendor to supply shelf-ready books. These books arrived at the Library fully cataloged, labeled and ready to be added to the collections for immediate use. As a result, three acquisitions staff were freed up to be reassigned to other critical processing tasks. The Library expects to use this model to expand to other book vendors for future contracts to continue to reduce its processing costs.

Taking advantage of the functionality of the Web, the Library implemented a Web based exchange program to enhance its acquisition of materials through exchange. Stemming from a business process improvement project, the program improves the Library exchanges with its partners; reduces Library staff time needed to manage and execute the program; reduces space needed to store the duplicate material to be offered on exchange; and reduces the number of times items are physically handled. The Library's new Web program—which now has over 740 participants—facilitates its ability to receive reciprocal items from the exchange partners to help build its collections at much reduced costs. In fiscal year 2005, the Library's acquisitions divisions received 148,696 pieces from its exchange partners.

The Cataloging in Publication (CIP) Program was established in 1971 to provide advance cataloging copy for publications most likely to be acquired by the Nation's libraries. Since the Program's inception, Library staff have produced catalog records for 1.3 million titles, saving public and research libraries the cost of creating these records. As an efficiency measure, the Program—which has over 5,000 publishers that submit their prepublication data—has made the transition to electronic processing using the Web. The Electronic CIP Program (ECIP)—which now has over 3,600 publishers participating—has saved staff time (equal to three full time staff), has dramatically reduced throughput time for processing titles, and has overall reduced the per title cost of processing CIP titles. The Library saves annually $10,000 in postage as a result of not having to mail cataloging data in print form to the publishers. ECIP has enabled the Library to achieve additional savings by having other research libraries take on the cataloging of preprint publications—Cornell University and Northwestern University currently contribute annually approximately 200 cataloged titles.

The Library's bibliographic access divisions have analyzed the costs of producing a catalog record. The costs are driven by both the complexity of the cataloging rules and procedures and by the level of staff who create the records. To address the latter, the Library instituted a pilot in one of its divisions to have technicians use catalog records produced by other libraries as the basis for the Library of Congress record. Using lower level staff has yielded measurable gains. The division's production of copy cataloging increased by thirty percent between fiscal year 2004 and fiscal year 2005 (from 9,725 titles to 12,670). Concomitant to the division's increase in copy cataloging output was a one-third decrease in the number of hours devoted to more expensive full, original cataloging between the two fiscal years (from 67,582 hours to 57,231). This model will serve in planning fuller scale use of technicians for processing functions commensurate with their level of expertise.

The Library has worked with the library community to reduce the complexity and cost of producing catalog records. In collaboration with the library community, an analysis was done of the record content with a goal of removing elements that were not necessary to provide satisfactory service to users seeking information. The resulting record, "a core level catalog record," reduces the cost for cataloging per item by as much as 43 percent. The Library has now adopted the core level record as its default catalog record. These records meet the needs of end user while meeting the needs of other libraries to provide access to their collections.

In fiscal year 2005 Library Services contracted with an information services research firm to assist with a strategic assessment of the needs and expectations of the National Library's constituents. A nationwide survey is currently underway to gather data that will be used in the process of assessing the effectiveness of National Library programs. The results from this and other data-collection efforts will inform future Library Services administrative decisions.

RESULTS-BASED DECISIONMAKING

General SCOTT. Yes, sir. We could answer the question now, but in the interest of time, I would——

Senator ALLARD. We have time.

General SCOTT. The way the Library implements its planning process is the Librarian each year issues guidance to each one of the program offices within the Library, and he gives his objectives and goals around which the other programs have to respond and then come up with theirs. The offices will come up with an annual plan, and that annual plan is based upon the measurable task, where possible. Now, all the tasks cannot be measured, but where they can be measured, offices list those tasks that will be accomplished.

Then when the budget has been put together, those tasks and those goals become part of our operating plan that we submit to the Congress.

In addition to coming up with the annual plan, we also have for the senior managers, a performance evaluation system that reflects what goals and objectives they have worked on and achieved during the past calendar year. Those objectives and goals are very specific and do tie back to the budget.

Senator ALLARD. Can you give us some examples of where there was not adequate performance for one reason or another?

General SCOTT. There was inadequate?

Senator ALLARD. Where there was not adequate performance and because of inadequate performance maybe you reduced that function, perhaps shifted dollars to another area of the Library where there was better performance. Can you think of some examples like that in your budget?

General SCOTT. I cannot off the top of my head give you an example of that.

Senator ALLARD. That is what we are looking for. It is those kinds of administrative decisions that you may have been making in the Library of Congress, where they actually had an impact on how you managed the program. Maybe you took some money from it because you perceived the performance could have been better and should have been better and you had to reevaluate it. Perhaps you had another area over here where you saw a need, where they were meeting the goals and objectives, and maybe shifted a little.

We are looking for some specific examples of applications. You are saying the right things, but we are just looking for areas you can point to where you actually used that to make administrative decisions.

General SCOTT. Yes, sir, we understand and we will get you some examples.

Senator ALLARD. If you feel like you need some help in outlining that the Government Accountability Office (GAO) does a good job on objectives and making some decisions on that. Maybe to consult with them might be helpful in tailoring what we are looking for as far as program guidance. Okay?

General SCOTT. Yes, sir, we will do that.

DIGITAL TALKING BOOKS PROGRAM

Senator ALLARD. On to the Books for the Blind and Physically Handicapped. You have been working on it for several years to develop what we call a digital talking book to replace the current cassette-type system, to make books available to the blind. Over the

next several years, approximately $75 million will be requested to produce the new machines.

In fiscal year 2006 you plan to spend $12 million to purchase the old machines which will soon become obsolete. Why do we need to purchase any additional cassette machines in 2006 when I am told there are over 700,000 cassette machines currently in circulation, inventory, or repair? Then maybe during this you might talk a little bit about the status of the new plan.

Dr. BILLINGTON. I think we will ask Mr. Kurt Cylke, who is the Director of that program, up. But I just want to say that we have to maintain the service and we have to maintain the inventory during the transition. We are on the schedule that has been long established by Mr. Cylke and by the service, but we cannot have a drop in the current analog service until the digital program is operational. We are asking for a $19 million startup. That was what was always intended. That is not a change in the plan.

We cannot have a drop-off in the service in the meantime. Mr. Cylke can elaborate.

CASSETTE MACHINE REPLACEMENT

Senator ALLARD. Do we have cassette recorders over here that could be repaired, that we could put in without having to buy new ones during this transition period?

Mr. CYLKE. We have, Mr. Chairman. We have approximately 740,000 cassette machines in the field. Many of them—most of them, of course, are in use by individuals. There are a certain number of inventory and then there are a certain number being repaired.

Let me get to your original question of why we are buying machines in 2006. Working very closely with the Inspector General, we had a study performed that projected out the needs for the cassette machine until we can get into the digital program. We have 23 million copies of books in libraries and warehouses around the United States. We have the 700,000 machines using them and we are going into the digital age.

As you heard from Dr. Billington, we are proposing to request $19.1 million a year for the next 4 years into the budget to permit us to buy those digital machines, and then withdraw the additional funds from the budget and go on. However we need cassette machines to keep the people who are in the program now able to use the millions of books and magazines that are available.

Senator ALLARD. Would you agree with these figures: We have about 133,517 available for loan from the Library?

Mr. CYLKE. That is correct.

Senator ALLARD. So that we have a total of 720,000——

Mr. CYLKE. Something close to that. That is correct. Yes.

Senator ALLARD. Okay. And then an additional 42,000 machines you are planning on buying in 2006?

Mr. CYLKE. That is correct. As a matter of fact, I believe the contract will be signed today or tomorrow. Again, what we did was make an in-depth study of the number of machines that we would require to keep the cassette program going until we can get into the digital program. This is our final buy of machines.

This report was done by an outside contractor, reviewed by Mr. Schornagel, the Inspector General, and his staff. Suggestions were made and the number of machines, the 40,000 plus, was based on a review with the Inspector General.

Senator ALLARD. Then you are just going to flat drop off a cliff so to speak?

ANALOG-DIGITAL TRANSITION

Mr. CYLKE. There will be no future purchase. That is it. We have been in the cassette program from the early 1970s, but this is our last purchase of cassette machines.

Senator ALLARD. And you are going to phase these out?

Mr. CYLKE. They are going to be phased out, but the new machines that come in—again, we have millions of copies of books on the shelves for use in the cassette format. All these books for the last 2 years and into the future will be in digital masters. The digital machine will be available to us in the beginning of 2008 and it just depends on how much money or how the funds are made available by the Congress as to how many we can build.

But we would expect to buy over a 4-year period the great bulk of those machines.

Senator ALLARD. Are these machines that you have now in a format that can easily be transferred over to the digital format?

Mr. CYLKE. The machines are not—the machines are analog cassette machines. They are four-track, half-speed cassette machines. But the analog books that are available on the shelves we are converting at a rate of a couple of thousand a year of the more important titles. Now, obviously in a public library environment many of the books would not be replaced. But we are converting things like the classics where we have them and going through what we call an A to D process, analog to digital.

We should have 20,000 digital books by 2008. That would be reconversion as well as new books that have been mastered that way.

Senator ALLARD. The public will use the analog and the new ones that you are going to put on the digital?

Mr. CYLKE. Digital only.

Senator ALLARD. Digital only?

Mr. CYLKE. Well, analog and digital for 1 or 2 years.

Senator ALLARD. But then as those others get used up, then you will put them on digital; is that your plan?

Mr. CYLKE. If I understand what you are saying, would the 23 million copies be converted. We will convert only the ones that will be of continuing use. In other words, every year we do a certain number of fiction items, best sellers.

Senator ALLARD. I see.

Mr. CYLKE. They certainly would not—old best sellers would certainly not be converted. I do not want to offend anyone, but——

Senator ALLARD. You do not want to offend anybody's favorite book here.

Mr. CYLKE. Right.

Senator ALLARD. Now, I want to refer to the IG here. Do you have some comments on this program? Do you think that we are going in the right direction? Can you comment on that?

DIGITAL TALKING BOOKS AUDIT

Mr. SCHORNAGEL. Yes, I do. My office issued an audit report on this program back in 2002 that deals a lot with the issues that you are raising and recommended that a formal analysis be done to bridge the transition from the analog to the digital technology and reduce the number of purchases of new machines, and that has been done; and also to increase the repairs of the used machines.

My office has been very actively involved in the last few years in supporting cost analysis and negotiation strategies with this contractor, and has resulted in several million dollars in savings. I think that the old analog machine purchases are necessary. The fact that we are going to cut it off, we really could not justify paying higher unit costs to buy smaller quantities in 2007 and beyond.

It is going to be 2014 to 2017 before these old analog machines are completely phased out. People have a tendency to want to hang onto them and not want to change technologies. So I think that the strategy and the fact that Mr. Cylke is getting the full life out of all the old machines that the taxpayers are supporting the purchase of is really a reasonable approach.

CAPITOL VISITOR CENTER

Senator ALLARD. Let us move on to the Capitol Visitor Center (CVC) tunnel. There was a report in Roll Call just this last Tuesday on page 3 that part of the tunnel project might be paid for out of private funds. Is this an accurate report and would you like to comment on that article, Dr. Billington?

Dr. BILLINGTON. Yes. That is not an accurate report. The quote of the CVC spokesman was erroneous. The spokesman himself told my chief of staff yesterday that he had been misquoted and had already issued a correction. The Library of Congress was not contacted by the reporter about the article before it was written, so the issue might have been cleared up before publication.

Let me make it very clear. We understand and have always understood that the cap of $10 million is firm and we have never requested any changes to the construction of the tunnel. We have always understood this appropriated amount to be a very firm limitation. The Architect of the Capitol has given us full assurances that the $10 million appropriated will fully cover the costs of the construction and Jefferson Building changes as presently proposed.

I could go into more detail if you want.

Senator ALLARD. I just want you to clear the record and make sure you are comfortable that we have the facts on record.

Dr. BILLINGTON. Yes. The original appropriation allocation was $10 million. We understand that the AOC has spent $5.1 million for tunnel construction, which includes a $200,000 contingency, and that just recently they have put out a contract for $4 million for changes, that was issued just last week.

That leaves a balance of $900,000 for contingency, which is well under the $10 million cap.

Senator ALLARD. Any problem with that cap?

Dr. BILLINGTON. We do not see any problems with it, and we are not requesting any changes or additions.

Senator ALLARD. I would expect that with the opening of the Capitol Visitor Center you are going to get more visitors, more people wanting to visit the Library of Congress. You are not going to have to negotiate across the street and you will probably get more members as well as more visitors wanting to use that tunnel.

Are you expecting a large increase in visitors and are you doing anything to try and accommodate that?

CELEBRATION OF AMERICAN CREATIVITY

Dr. BILLINGTON. Yes. We have been looking into this in some detail. The estimate has been given that as many as 3.5 million people will be coming into the new visitors center. We want to use the public spaces of the Jefferson Building as the focal point for additional visitors to the Library. We have done some very careful analysis and planning, with a lot of consultation, all, I might add, on nonappropriated funds. This is all being done with private funding—what we will do to prepare for more visitors will depend on what we can raise from private funding.

The idea will be to celebrate and illustrate and involve people in one of the most important contributions that the Congress of the United States has made to the American people. No other government in the world has as consistently and as fully preserved the private sector creativity of its people as has the United States, and in particular the legislative branch of Government.

Once the Copyright Office was placed in the legislative branch of Government, we were able to retain in the Library's collection as closely as possible the mint record of American creativity. By housing innumerable collections, we have way over 5 million pieces of music, we have the world's largest collection of movies, nearly 1 million movies and moving image titles—these are amazing accomplishments that the Congress has achieved. We want to celebrate this, which we think will supplement and round out the story of the Congress and of its governance, its oversight and legislative functions, which will be illustrated in the Jefferson Building's expanded exhibits.

We think this will be an important illustration, calling attention to a great achievement of Congress, which we have been fortunate enough to be the custodians and administrators of. This summer we are bringing in interns to find and illustrate more things in the copyright deposits that can be celebrated and realized. We will use our public spaces, without interfering with the traditional usages of the Library, to in a dignified way both introduce visitors to the importance of knowledge and to give them some experience of creativity. This experience will be richly illustrated, not only by the artists and the performers, but also by the inventors and the other scientists and inventors that made America the creative country it is. The creative use of freedom, and the Congress' crucial role in preserving this record of creativity will be the main thing we are going to be illustrating and celebrating.

Senator ALLARD. I think you have a great facility there. As you know, my wife uses that Library personally—we go over there and walk the halls and do the searches through the computer and through your catalogue. I think a lot of Members send their staff over, but we will wander over there personally. I would agree that

it is a great facility. We should be very proud of it. We are privileged in this country to have that kind of a facility available for us.

So we want to do everything we can to help make it better and continue to make it meet the needs of the American people.

WORLD DIGITAL LIBRARY

Let me move on. I want to talk a little bit about the World Digital Library. In November the Library entered into a cooperative agreement with Google to develop a World Digital Library. Apparently Google is contributing $3 million to this effort. Could you update us on this project?

Dr. BILLINGTON. I think this is very exciting. As you know, we had close to 4 billion electronic transactions last year. Our American Memory website has brought more than 10 million items of American history and culture online. We are continuing to augment that with materials that highlight creativity and the culture. In fact, there will be a connection between the website and exhibit space within the Jefferson Building. The visitors experience will include an invitation to use our educational website as well.

What we are adding here, again with this important startup private money which is purely philanthropic—it is a nonexclusive arrangement—is putting the memory of other cultures online.

It is important to dramatize to the world, both to help America understand the cultures of foreign countries, with whom we are more and more involved, our already large educational website and training, facilitating its educational use, to provide windows into world cultures. We are going to begin with pilot projects with other countries. We are going to launch the World Digital Library very carefully, as we did with the American Memory project that began our educational and inspirational online presence.

PARTNERSHIPS WITH NATIONAL LIBRARIES

We are going to do it jointly. We already have agreements with six other national libraries to do joint projects. Our original project with the Russians, which was funded and initiated by congressional action, is approaching 1 million items. We are getting great cooperation from them. They are giving us access to nearly everything we want.

So we have had a successful startup with special funds, and now agreements with a wide variety of countries—our most recent agreement is with the National Library of Egypt. I was just in Egypt and we are going to expand that collaboration. We have in our collections the history of Islamic science, which is something that has been well preserved, not just in Egypt but also in America and in the Library of Congress.

We are going to be developing and celebrating the memories of other cultures, which we think will appeal to the other cultures, with bilingual commentary, and a high audio-visual component in the middle. This initial grant, and it is a purely philanthropic one, is one of the first that they have made in this way. It is going to be a very positive first step.

We are considering particularly expanding into a major enterprise the small beginnings we have made with Brazil and Egypt. We will be looking into a variety of prospects to take our joint

projects out to some of the other ancient cultures of the world and dramatize to them that America has been a guardian and a preserver of much of the world's cultural heritage. We will, in cooperation with the repositories in those countries, present it together, an American and Egyptian collaboration, and an American and Brazilian collaboration, and American collaboration with these other countries.

We already have cooperative agreements with six countries, as I mentioned. We believe that America can play a leading role in helping develop better communication about the different cultures of the world that will increase our understanding of them and their appreciation of what we have done in this country to preserve their heritage as well as our own.

Senator ALLARD. Very good.

OPEN WORLD LEADERSHIP PROGRAM

Now, one last subject I want to cover has to do with the Open World Leadership Program. With respect to the Open World Program, I understand that Ambassador James Collins is undertaking a thorough review of the program at your request. Can you tell me when this effort will be complete and what particular aspects of the program may be overhauled? Now I understand that this is not a part of the Library, but you are the chair of that program and so I wondered if you could give us just a brief report on what you expect out of that thorough review.

Dr. BILLINGTON. Yes, sir. We are doing, as we have already done and are refining within the Library, a comprehensive strategic plan for the Open World Program. Open World has been very successful. It is a unique undertaking in the legislative branch. It has brought more than 10,000 emerging young leaders: Russians, a growing program with the Ukraine, and startup experimental programs with Lithuania and Uzbekistan. There have been many suggestions from Members of Congress and others about this unique program, which is modeled in a lot of respects on the 1.5 percent of the Marshall Plan that was spent bringing young Germans over to the United States after the war. Open World is bringing over people from the former Soviet Union after the cold war.

Now, we have tasked Ambassador Collins, who was Ambassador to Russia when the program was initiated in 1999, to conduct a strategic plan—and he is a member of the board of Open World, which of course has an independent existence within the legislative branch of Government, although certain administrative functions are performed still by the Library and I do chair the program.

OPEN WORLD STRATEGIC PLAN

This strategic plan will be completed in late June or early July. We will present it at the board meeting and if agreed to by the board, we will provide for the implementation of the strategic plan. We will be looking at such questions as possible changes in the nature of the exchanges, which have been very successful—the areas to be covered. We now cover rule of law both in Russia and Ukraine, which is so central to the prospects of democracy—democratic development in those countries—and that has been an extraordinarily successful program. That is sure to survive.

But other programs, exactly what we should stress, whether this should be expanded to other countries and at what level are under review. We are discussing those issues of course in the strategic planning process—the staff has been working on it from the end of last year. The board meeting in December determined that we will reach conclusions and have the formal strategic plan from which future budgetary submissions will be derived.

We will also be looking into, very closely into, possible economies, and we will be probably making changes. We will bring on fairly shortly a full-time executive director. We have had very good leadership up to this point. Geraldine Otremba, who does our congressional relations, was handling it at first. Aletta Waterhouse, who was also with it from the beginning, has been acting director since September. We will have a new executive director, a permanent appointment that we will be able to announce very shortly.

That executive director will have a chance to work with and implement the strategic plan. There are a number of GAO suggestions, most of which we have already addressed, but they will be folded in in a full accounting into a full strategic plan from which we will derive our next budgetary submission.

Our current budget request represents basically a continuation of what we are doing, more or less, with only a marginal adjustment this time for unavoidable cost increases, mostly in air fares.

Senator ALLARD. I look forward to seeing what that final report is.

Dr. BILLINGTON. We would hope to report to, discuss our strategic plan with the Appropriations Committees before the board takes final action on it as well.

ADDITIONAL COMMITTEE QUESTIONS

Senator ALLARD. Very good. Thank you.

I do not have anything else. Any summary comments?

[The following questions were not asked at the hearing, but were submitted to the Library for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR WAYNE ALLARD

GENPAC

Question. The Library requested a base adjustment for GENPAC of $2 million that is more or less evenly divided between serial and electronic purchases to "help keep pace with the greatly increased cost of serial and electronic materials (without which) risks eroding the foundation of the many services provided by the Library to the Congress and the nation." The Library's justification notes the rapidly growing number of electronic journals (approximately 35,000), and that the cost of journals has been rising at the rate of over 14 percent per year. How much of the Library's costs are for providing the same information in different formats? What percentage of the journal collection is available in multiple media? What criteria are used to decide whether to offer journals in electronic and print formats?

Answer. The Library generally does not purchase content in multiple formats. In a few instances, when materials exist in both print and electronic versions, the Library will acquire both.

Duplication of information may occur for several reasons:

—The manner in which publishers package journals into sets or aggregated databases causes duplicative content to be included in the Library's acquisitions for the collections. An electronic database may have several hundred journal titles included, two-thirds of which are unique to the Library's collections and therefore wanted. The remaining one-third may be duplicative of print journals, but because of the value of the unique two-thirds, the database is acquired (either purchased or licensed).

—Some publishers provide a free print copy of a journal when the electronic journal is purchased.
—Electronic publications package their content uniquely, often offering significantly increased functionality, indexing, and ability to manipulate it. Because of the value that is added, the Library is providing a service to Congress and other users by purchasing an electronic copy, even when a print version is already in the Library's collections.

Because of the accelerating number of electronic journals being published and the Library's vast collection of print journals, the percentage of the journal collection available in multiple formats cannot be determined. Because the long-term preservation of digital content still poses a challenge and because the Library has not completed its development of a digital repository to archive electronic journals for future generations, the Library has determined that it must continue to acquire print copies of journals that exist in both electronic and print form. The Library has taken steps, however, to mitigate its expenditures for electronic content. It is developing trusted partnerships with other organizations to ensure long term access to electronic journal content, which will allow the Library to cease purchasing duplicate copies of those titles. It also is testing the deposit of electronic journals for copyright and seeking change in the legislation for the mandatory deposit of various kinds of electronic content. The Library further initiated an effort several years ago to reduce its acquisition of multiple print copies when it was also acquiring an electronic version, thereby considerably reducing the duplication.

When deciding on the format of journals, the Library follows these guidelines:
—If a journal is issued in only one format (print or electronic), the Library acquires the title based on the importance of the content.
—Electronic versions of print materials already in the collections are acquired to improve ease of access or to allow multiple users access to high-demand content.
—Both print and electronic versions of journals are acquired if the second format is offered at no additional cost.
—Print or microform journals are acquired when electronic versions exist, to ensure long term preservation.

Print or microform journals are acquired when electronic versions exist, pending completion of the Library's development of its digital repository.

COPYRIGHT RECORDS PRESERVATION

Question. How will digitizing these records change your future maintenance and storage costs?

Answer. The primary purpose of this project is to preserve the records—to provide an archival backup for the analog records, protecting against the possibility of loss of this irreplaceable, one-of-a-kind collection. During the first six years of the project, the records, including bound record books, microfilm reels, and catalog cards will be scanned and rudimentary index data will be captured. This will ensure the records can be archived and be accessed electronically at a basic level that will facilitate further indexing. However, the title, author, and copyright owners are not searchable terms in the rudimentary index. For the public who rely on our records, this index would not be a substitute for the original records until detailed indexing is accomplished in future years.

The Copyright Office needs to retain all these analog records until that time, when the individual electronic records will be integrated with the post-1977 copyright records currently available for search and retrieval. The detailed indexing project is estimated to cost as much as $64 million.

The Copyright Office will continue to house the card catalog on the fourth floor of the Madison Building to facilitate access for those who use these records. By the time the first phase of the project is completed, the Office plans to have its own storage facility at Fort Meade, maintained by the Architect of the Capitol. The record books, now in a leased storage facility offsite, would eventually be stored there. Total savings once Fort Meade storage is available would be $200,000 per year, increasing each year based on increased volume and rates charged for commercial storage.

Therefore, digitizing these records for preservation during the next six years will not have an impact on maintenance and storage costs. If the detailed indexing is completed in the years following this first phase, a decision could be made to destroy the analog record. However, this discussion is years away.

WORKFORCE TRANSFORMATION

Question. The request of $781,000 for the renewal and development of the Library's workforce is described as an initial investment beginning in fiscal year 2007.

Are long range estimates available for the expected costs of replacing and retraining the workforce? Describe why these particular initiatives were selected and how they will directly support a larger workforce plan. Why fund these initiatives before there is a comprehensive strategic plan to guide the transformation of the workforce? How does the workforce transformation project, the strategic planning process, and the program assessment framework relate? What information do you hope to get out of these efforts that you currently do not have?

Answer. The Library has and will continue to evaluate all aspects of its business functions, including work processes, equipment, IT and other infrastructure support, and staff performing the work. Periodic reviews are routine business practice but most certainly critical when the world demands new processes as witnessed by the digital transformation. The Library's evaluations are taking place under the broad umbrella of strategic planning and through program specific assessments. No matter which mechanism is used, people will always play an important part of any transformation. They are not only a cornerstone in change itself, but needed to implement change.

Given the aging workforce, with skills once valued but no longer needed in the future, the Library has begun its workforce transformation to keep up with new business functions and to lay the foundation for new functions on the horizon.

Most of the fiscal year 2007 funding requested under workforce transformation is to support basic services that would be needed even if a major transformation were not occurring. For example, $225,000 supports 600 online courses, annual subscriptions to leadership development courses, mentoring programs, and career planning and counseling—services that are commonplace in most similarly-sized agencies, but are not currently available or adequately resourced in the Library. The online and annual subscriptions also provide a more cost-efficient option for training than the traditional classroom approach.

A total of $98,000 supports one additional employee in the Library's learning development center, to ensure the center is fully staffed and can manage the size of a training program needed for a large workforce. A total of $127,000 provides interpreter services to meet the demands of our diverse workforce, including those who are physically challenged. Finally, $231,000 is for a summer intern recruitment program that will not only help address the Library's workload, but also provide a rich pool of candidates for future jobs at the Library.

The remaining $100,000 goes beyond traditional training but asks the question of what type of employee and what skills will be needed in the future. Funding will help determine digital competencies, and it is this study that will lay the foundation for a more comprehensive strategic plan for transforming the Library's workforce through retraining or new hiring—with new and different position descriptions. Until this analysis is completed, the Library cannot project future costs but hopes to be in position to do so by the fiscal year 2008 budget.

Without the requested funding, the Library will fall further behind the rest of the Federal Government and the private sector, costing more in lost productivity and lost opportunities.

DIGITAL COMPETENCIES

Question. Since fiscal year 2001, the number of items circulated has declined by over 24 percent and reference services by 17 percent. Internet transactions have increased by 214 percent. What has the Library done to redeploy staff? How do these trends relate to your request for skills training?

Answer. In fiscal year 2007, the Library is requesting $100,000 to begin the development of a digital competencies initiative. This initiative will identify what new skills/staff are needed to support the digital transformation of the Library's services, compare those skills to staff already on board, and highlight the gaps between the two. The results will be used to develop a comprehensive staffing and business plan that will outline action steps and related resources needed to retrain and/or reassign current staff, hire new staff, and enhance IT and other equipment to support staff. The Library already has focused on a few areas such as CRS and Library Services where the VERA/VSIP programs were used to help retire employees whose skills are no longer needed, allowing the Library to hire the expertise or equipment needed to meet the new services and new demands placed upon the Library as a result of the digital transformation. While offices will continue their program reviews, the digital competencies initiative will be a Library-wide review that will not only focus on each office but on how the Library works as a whole, for a more cohesive and integrated transition into the future.

CONGRESSIONAL RESEARCH SERVICE REALIGNMENT

Question. CRS determined last year that some 59 production support, technology support, and audio-visual positions were no longer needed. You have determined that eliminating the 59 positions will save CRS approximately $4.4 million. How is this savings reflected in your fiscal year 2007 budget request? If analysts will become responsible for tasks previously done by production and technical support staff, (e.g., formatting, computer problems) won't diversion to non-analytical tasks lower current efficiencies and effectiveness of CRS employees?

Answer. This question is based upon two fundamentally incorrect assumptions. First, CRS never stated that the elimination of the 59 positions would "save" $4.4 million. CRS is undergoing a workforce re-engineering effort that will enable the Service to hire different staff who can contribute directly and fully to meeting the Service's mission. The funds that would have been used to pay the salaries and benefits of the 59 support staff will be redirected to pay for primarily research analysts. The Service's fiscal year 2007 request reflects a budget that would support the ongoing need for approximately 705 FTEs. There are no savings associated with this workforce realignment; and retaining the 59 support staff indefinitely would adversely impact the Service's ability to sustain adequate core research capacity.

In fiscal years 2005 and 2006, CRS requested a one-time budget base increase to close the gap on rising staff costs and give the Service a permanent budget base that could sustain a workforce of 729 FTEs. With only $500,000 approved for this purpose in fiscal year 2006 (none in fiscal year 2005), the Service had to implement a strategy that would adjust its permanent workforce down to 705 full-time equivalents (FTEs) while retaining an analytic capacity of 48 percent to 50 percent of the total staffing composition—between 335 and 350 staff.

In fiscal year 2005, the House Appropriations Committee explicitly stated that it expected Legislative Branch agencies to take into consideration the overall budget constraints placed on the entire Federal budget and to submit more reasonable requests. At the same time, the Committee directed agencies to identify opportunities that would streamline operations, expand outsourcing in a range of operating activities, utilize existing technology to enhance efficiency, and implement management changes to increase efficiency and effectiveness of operations. Further, the Committee directed the Library to conduct a study to determine whether any duplicative functions existed between the Library and CRS. The same year, this Committee's report language stated, "owing to budget constraints, the Committee is unable to recommend additional increases." These policies were endorsed by the Conference language encouraging agencies to submit more reasonable budget requests. Similar policies and concepts were expressed in the fiscal year 2006 House report language. Agency heads were directed to embrace change and recognize staff and workforce as the most important agency asset. Agency heads were directed to look within for ways to achieve mission as opposed to seeking additional budgetary increases. In 2006, the Senate re-emphasized the applicability of GPRA. Again, the Conference language endorsed these policy statements. CRS has heeded the Congress' direction to find ways to streamline operations and improve efficiency.

The CRS fiscal year 2007 request reflects the reality of the budget environment and respectfully recognizes the Congress' expectation that the Service find a way to accomplish its mission within an organization of 700 to 705 FTEs. Right now, CRS needs the support of the Congress in order to continue its efforts for achieving a workforce transformation using the federal employment tools and authorities available, such as separation incentives, voluntary early retirements, and possibly a reduction in force (RIF). The Library is seeking two new administrative provisions that would give any remaining affected CRS staff (as of September 30, 2006) opportunities for priority placement in other federal agencies should a RIF become necessary. Your support and approval of that request would also be extremely helpful. In 2007, CRS plans to redirect the funds that would have been used to pay the salaries and benefits of the 59 staff to acquiring the capacities, work skills, and competencies needed in 2007 and beyond. Your support of the Service's fiscal year 2007 full budget request and your endorsement for maintaining the management flexibility needed to align or realign the organization to match the changing and complex congressional agenda within the financial resources available will go a long way in helping to ensure that the Service can indeed provide the continued level and quality of services that Congress is seeking.

Second, the question incorrectly assumes that CRS analytical staff will now be responsible for performing production and/or technical support tasks—which is not the case. The question incorrectly assumes that CRS management is not focused on ensuring a most cost effective and efficient operation—which is also not the case. CRS has always been committed to providing analysts with the most technologically ro-

bust workstations available. Advances in technology in the past ten years have provided automated tools on the analyst's desktop with most of the needed formatting and production capabilities built in; and, these new technology tools have eliminated much of the need for production support personnel (the basis of the elimination of these functions). CRS is currently investing in the development of a new authoring and publishing system that will even further advance the ease of incorporating sophisticated graphics, tables, and pictures directly into CRS reports during the writing/authoring phase. The new system will allow increased analytic capacity—not decreased capacity. The system will make creation and dissemination of CRS reports even more efficient and more readily available to the Congress.

The CRS analysts' needs for publication production support will be provided centrally by the CRS Electronic Research Products Office (ERPO) which is staffed by a cadre of experienced editors, skilled in using advanced technology tools to produce products in multiple formats. CRS is building capacity in this office as a means to centralize, streamline, and provide uniform and high quality support across the Service. At the same time, the CRS Technology Office is revamping existing contracts to enhance its desktop user support operations, which will also include up-to-date technology professionals who can resolve quickly the staff's desktop computer problems. Managing modern technology in a centralized business model ensures that: (1) business-relevant technology skills are in place, maintained, and uniformly accessible to all agency staff; (2) all technology staff are directed from a singular agency-wide business strategy and perspective; and, (3) technology staff are provided consistent and uniform training opportunities based upon general technology refreshment, agency implementation of new hardware/software, or individual performance shortcomings. The central call center/help desk concept allows a computer specialist to gain remote access or "proxy" to a personal computer anywhere in the organization in order to evaluate and troubleshoot technical problems—giving every CRS employee immediate access to high quality technology support at their fingertips.

FEE SERVICE ACTIVITIES

Question. What, if anything, has the Library done to identify services where it might be appropriate to either charge a fee or raise current fees?

Answer. Where it is appropriate to charge fees, the Library does so and in some cases has a formal process for evaluating and raising those fees.

For example, in 1997 Congress established a new procedure for setting fees for basic services for the Copyright Office (111 Stat. 1529 (1997), codified at 17 U.S.C. 708(b)). The Copyright Office is directed to periodically study the costs of providing its basic services. After determining the costs of those services, it is directed to consider whether the full cost recovery fee is fair, equitable, and meets the objectives of the copyright system. If not, the fees may be adjusted to recover less than full cost. Following this study and consideration, the Copyright Office sends Congress a report discussing its study, conclusions, and a proposed fee schedule. This fee schedule will be adopted unless, within 120 days of receiving the proposal, Congress passes a law disapproving the proposed fees. The latest Copyright Office report, with its proposed fee schedule, was sent to Congress on February 28, 2006.

Additionally, for other than basic services, the Copyright Office has the authority to set fees by regulation. On March 28, 2006, the Copyright Office proposed a new fee schedule for these additional services and invited public comment on this schedule. Also, a new fee service has been proposed. The comment period for these fees closes on April 27, 2006. The Office does not expect that Congress will reject its proposed fees for basic services. Additionally, it expects to conclude its fee setting rulemaking early in May. The plan is to institute all the new fees on July 1, 2006.

Under the provisions of the Economy Act of 1932, 31 U.S.C. Sections 1535–1536, the Law Library has entered into Interagency Agreements with several Executive Branch agencies for services tailored to their specific needs requiring research and reference products outside the routine services provided by the Library. Fees are based on billable hours dedicated to the work performed. Other than contributions collected under the offsetting collections authority associated with GLIN and the interagency agreements noted above, there are no other Law Library activities that would be suitable for charging fees.

Library Services has several revolving funds that charge a fee for services to inside and outside clients. The revolving funds operate under revolving fund law and other fund specific legislative guidelines. As part of the Business Enterprise Work, Library Services is reviewing all the revolving funds, including services provided and related fees, and may be proposing changes in the coming fiscal years.

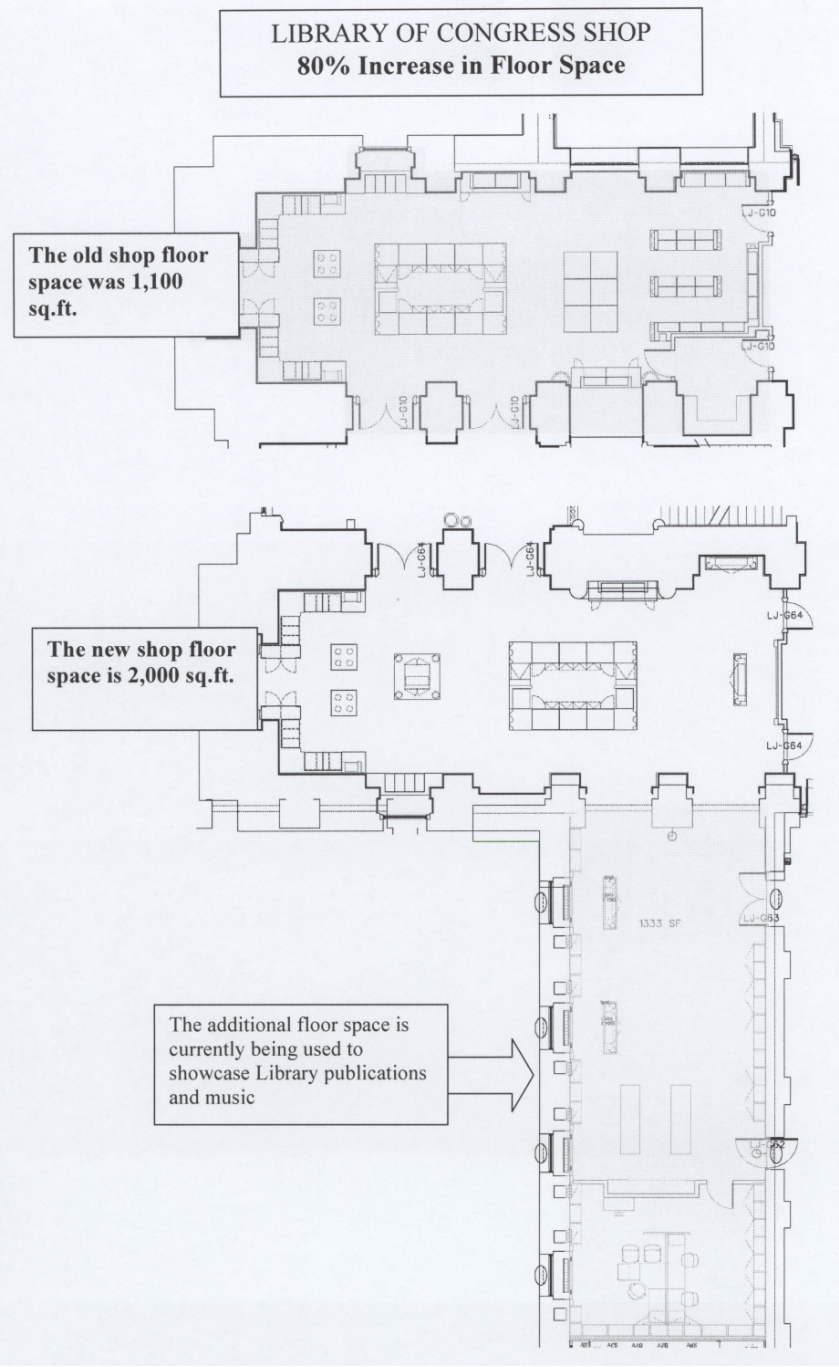
As other work is identified for fee-based services, the Library will propose legislative language to support those fees.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. Dr. Billington, I understand that the retail shop at the Library of Congress is relocating due to the construction of the Capitol Visitor Center tunnel. What is the new location? How do you think the relocation of the shop will affect sales?

Answer. In the summer of 2005, the Library relocated the shop to a larger location on the west side, beside the Visitor Center and close to the Capitol Visitor Center tunnel. Floor space has been increased from 1,100 square feet to 2,000 square feet. In moving the shop, we also took the opportunity to consolidate stock rooms and storage space has increased to 2,500 square feet. The following page includes the floor plans and pictures of the new shop location.

The shop remains in a prominent space within the visitor area of the Jefferson Building. Given the continued visibility and the increased floor space, we are expecting the move, in coordination with other activities, to improve sales. As we develop our plans for the new visitor experience at the Jefferson building in the fall of 2007, we will be coordinating the work of the Library's visitor services and exhibitions offices to enhance our retail presence.


LIBRARY OF CONGRESS SHOP
80% Increase in Floor Space
The old shop floor space was 1,100 sq.ft.
The new shop floor space is 2,000 sq.ft.
The additional floor space is currently being used to showcase Library publications and music
1333 SF

Question. When the CVC opens, there will undoubtedly be many more visitors coming to the Library. Are you considering expanding your retail product based on this increase?

Answer. The sales shop will increasingly reflect the visitor experience of the Great Hall, the collections and art on display, the special and permanent exhibitions, and the interactive guides throughout the Jefferson Building.

We are consolidating our product mix to focus on Library-related merchandise. Our sales figures show that Library-related products appeal to our visitors, both on site and online. Such Library-related products generate about 56 percent of total revenue, approximately $610,000 in fiscal year 2005. Nineteen of our twenty most popular items (by revenue) are library related. These top sellers generated $290,000 in sales revenues, $100,000 in profits. We will continue to grow the percentage of inventory dedicated to proprietary Library products, increasing brand recognition, outreach, and revenue.

Question. Dr. Billington, the Library's fiscal year 2007 request includes a decrease of 44 FTE's. Can you explain this decrease?

Answer. The Library is reflecting a decrease of 44 FTEs in fiscal year 2007 as the result of authority expiring in fiscal year 2006, reduced workload, and/or adjustments needed to align staffing with available funding. Reductions include a total of 13 FTEs for positions whose authority expires in fiscal year 2006 (6 FTEs for Culpeper, 1 FTE for Business Enterprise Project, and 6 FTEs for vacant police positions), 7 FTEs for reduced workload projected in the Copyright Office, and 24 FTEs in CRS to align staffing with funds available.

Question. How will the Library's transition into the digital environment affect its current workforce? What are your plans for retraining your current workforce?

Answer. As part of our workforce transformation project, we will follow a systematic process to identify newly required skills and knowledge for our workforce as we transition into a digital environment. Until we complete job and skills gap analyses based on new skills and knowledge requirements, we will not know the full impact on our workforce. Where retraining is appropriate, we will create individual development plans and training programs to retrain members of the current workforce.

Question. In fiscal year 2005, the Library's website experienced a 14 percent increase in usage over fiscal year 2004. How are you preparing for this continuing trend in increased web usage?

Answer. The Library of Congress website has continued to experience increases in use both as a result of a general increase in the number of users online and as the institution continues to add high-quality digitized material for our online audiences. The Library is projecting that the rate of increase will continue and build to higher levels over the next few years as the American public continues to discover and learn about the wealth of high-quality digitized materials and other content that we offer.

The Library has begun the implementation of a web metrics program that includes new monitoring software and services that provide statistics and analytics to assist the Library in understanding the profiles of our online users, the web content that they access, the resulting impact on our supporting technical infrastructure, and our continued ability to provide high quality online services. This web metrics program and other tools that the Library uses to measure supporting infrastructure capacity will assist the Library in forecasting future usage and in planning capacity accordingly.

To date, the Library has met growing user demand for online content and has supported the necessary expansion in technical infrastructure by adjusting our existing budgetary resources. We will continue to monitor these statistics and other metrics, assess performance, and weigh alternatives for maintaining high quality online service within existing resources if at all possible.

Question. Dr. Billington, you have requested $102 million within the Architect of the Capitol's fiscal year 2007 request. Can you prioritize the items in this request for the members of the subcommittee?

Answer. Of the $102 million requested for the Library of Congress Buildings and Grounds budget within the Architect of the Capitol's (AOC) fiscal year 2007 request, approximately $62 million supports 11 projects specifically requested by the Library.

Construction of the Logistics Center at Fort Meade is the Library's highest priority within the AOC budget. This facility is urgently needed to address many critical issues, including meeting fire and safety standards and providing environmentally sound storage for Library collections. The new facility at Fort Meade is the best overall investment for the government based on independent space and economic assessments. Choosing another site is not the solution nor will it reduce costs. The land at Fort Meade was purchased specifically to address storage requirements of the Legislative Branch. Leasing, buying or building storage facilities at other lo-

cations would undermine this master plan. The 100 acres only cost the government one dollar. Choosing a different construction site would require millions of additional dollars for land. Upgrading current leased facilities or retrofitting other lease buildings would only benefit the landlords and not the government. Staying in current leased facilities forces the Library to continue to pay for space that is expensive and provides no return on investment (similar to renting vs. buying a home). Finally, we would lose the synergy of Fort Meade, which offers advantages and the cost benefit of one security system, one transportation destination, easy access between storage facilities, and other administrative efficiencies, while providing increased capacity on Capitol Hill, and more efficient use of space on and off Capitol Hill.

If this project is delayed, the Library will continue to incur very expensive lease and repair costs associated with current storage materials. Savings to the government of at least $3 million annually will be lost to lease, operating and repair costs at existing facilities. The master plan at Fort Meade is already six years behind schedule. Further delays will raise the price tag of this project again due to inflation and other factors and further delay, and also increase, the price tag of other buildings planned for in the master plan.

The remaining 10 Library projects are needed to maintain the Library's buildings and grounds, to address immediate environmental, fire and life safety issues, and to support space modifications in response to the Library's ever changing program needs.

The AOC has also included their own fire and life safety projects. Past deferments and delays have created a long list of urgently needed projects. The cost of maintenance and upgrades will continue to rise rapidly if the Library cannot stop, or at least slow down, the rate of deterioration of its buildings and return to its approved construction plan and schedule.

The following table lists the Library's projects in priority order:

ARCHITECT OF THE CAPITOL FISCAL YEAR 2007 BUDGET—LIBRARY BUILDINGS AND GROUNDS

Library Priorities Fiscal Year 2007	Fiscal Year 2007 Requested
Fort Meade Book Module 3 & 4	.....
Copyright Deposit Re-Design	.....
Fort Meade Logistics Warehouse	$54,200,000
Culpeper O&M (Facility Support)	2,500,000
Fort Meade O&M (Facility Support)	640,000
Air Handling Unit Replacement JMMB	2,890,000
Preservation Environmental Monitoring	80,000
Contract Asbestos Validation TJB	100,000
LOC Space Modifications (Rooms and Partitions)	650,000
Minor Construction	990,000
Painting	100,000
Kitchen Equipment	40,000
Design—Court Yard Renovation, TJB	75,000
Total	62,265,000
Operational Support	39,972,000
Client Total	102,237,000

Question. Please provide an update on the progress of the National Audio-Visual Conservation Center in Culpeper, VA. When will this facility be complete?

Answer. The Packard Humanities Institute (PHI) is in charge of the NAVCC construction. PHI is working closely with the Architect of the Capitol and has made and is financing enhancements and improvements in the original plan. PHI's originally scheduled completion dates for the NAVCC were spring 2005 for the Phase 1 Collections Building and Central Plant and spring 2006 for the Phase 2 Conservation Building and Nitrate Vaults. Since then, construction delays have forced PHI to revise slightly its master schedule. Phase 1 was turned over to the Library in December 2005, and the Library is now moving its collections into this part of the complex. For Phase 2, PHI's new master schedule indicates a completion and turnover date for the entire project of March 1, 2007.

Staff will be relocated in stages that are synchronized with the PHI construction schedule. Six Library staff began working in the Phase 1 Collections Building in

January 2006. The majority of NAVCC staff will work in the Phase 2 Conservation Building and will be relocated in alignment with the new construction schedule as follows:

—*Summer 2006*.—Relocation of two or three advance staff from the Motion Picture Conservation Center (MPCC) in Dayton, Ohio to help set up the NAVCC Film Laboratory.

—*December 1, 2006*.—Relocation of two advance technical staff from MBRS in Washington to install cabling and initial AV system components.

—*March-May 2007*.—Relocation of Capitol Hill staff and the remainder of the Dayton staff to Culpeper. Approximately 12 MBRS staff will remain in the Madison Building to provide public services in the NAVCC reading room.

Question. Dr. Billington, the Library has requested funding in fiscal year 2007—$150,000—for the Lincoln traveling exhibition. Please describe how the Library is working with the federally designated Abraham Lincoln Bicentennial Commission on development and implementation of the exhibition.

Answer. The Library of Congress has had periodic meetings with the director and various members of the Abraham Lincoln Bicentennial Commission for more than a year. At these meetings, we discuss the progress of the exhibition, funding efforts, the other venues to which the exhibition will travel, and the coordination of programming developed by the Library as well as programming developed by the Commission and its partners.

The Commission has been particularly helpful in identifying and making initial contacts with many of the exhibition's potential venues. Further, many of the Library of Congress Lincoln exhibition advisors have been drawn from the Commission's Advisory Committee. We will continue to share information and progress reports with the Commission in planning the Library exhibition and its ancillary programs.

Question. Mr. Mulhollan, the Congressional Research Service (CRS) recently eliminated 59 permanent job positions in 3 categories. This is the first reduction-in-force (RIF) in CRS's history. Can you tell us what steps you are taking to ensure a fair transition for these employees?

Answer. CRS has taken a number of steps to assist the staff who will be affected by CRS' decision to change the way work is performed. These include:

—Staff received a full twelve months to seek and find alternative employment. The decision was announced on September 22, 2005 and the positions will not be eliminated until September 30, 2006.

—CRS offered a voluntary early retirement option and requested of the Congress and received authority to offer a separation incentive payment of up to the legal maximum amount allowed of $25,000 to staff separating through retirement with a full annuity, early retirement, or resignation. Twenty-three of the affected staff took advantage of one or both of these programs and retired on or before January 3, 2006.

—Since the end of September, CRS alone and in collaboration with the Library's Office of Human Resources Services, has been providing a range of retirement and career counseling services, including:

  —Retirement counseling: special briefings on the details of voluntary early retirement; the application and approval process for separation incentives; a two-day retirement seminar for staff and spouses; and individual retirement counseling.

  —Career services: workshops and individual career counseling sessions; a workshop with representatives from D.C., Maryland, and Virginia career services centers; a comprehensive three-day career-transition workshop; notification of local recruiting events, and access to a web page with career-related information and links to numerous websites.

  —Employment opportunities: training on how to apply for positions using the Library's automated hiring system; notification of all vacancy announcements within CRS; and notification of potential vacancies of interest in the Library.

  —Reduction-in-force (RIF) briefing: a special briefing with a RIF expert on RIF general procedures.

—Further, the Library is seeking approval of new and permanent authority that will grant any Library of Congress employee who is the subject of a formal RIF with job placement rights with agencies in the Executive Branch. Heretofore, Library of Congress staff displaced through agency downsizing or reengineering had no federal re-employment rights regardless of their grade, job series, or federal tenure. This authority would grant Library of Congress employees who receive a RIF notice priority status for selection into competitive-service positions in the executive branch. Such authority is currently granted to executive branch employees who are RIFed from executive branch positions. This authority would

place Library of Congress employees behind any affected employees in an agency undergoing a RIF in selection priority but ahead of applicants who have no federal service. Adopting this provision would give the Library's employees a broader potential employment base and help employees who wish to continue their public-service careers beyond the Library of Congress.

Question. Where in your fiscal year 2007 budget have you accounted for the possibility of paying severance pay to these employees?

Answer. First, we need to add that one additional individual within the CRS affected staff has been offered a position outside of the Library—bringing the number of remaining employees down to 30. The Library is committed to funding any fiscal liability associated with the separation of the remaining 30 affected CRS staff; however, the question assumes that all severance pay will be borne by CRS which is unlikely. Further, the specific treatment of severance pay in the Library's budget is premature.

Projecting the amount of severance pay which will actually be paid in fiscal year 2007 is a complicated process. It involves taking into account several variable outcomes: forecasting the number of staff that who accept Voluntary Early Retirement (VERA) and/or the Voluntary Separation Incentive Payment (VSIP); the number of staff who are successful in competing for vacant positions in CRS, the Library, other federal agencies, or in the private sector; and ultimate placement of affected staff into vacant positions in the Library or elsewhere in the Federal government under a reduction-in-force action.

Of the 30 who remain on the CRS payroll at this time, one is currently eligible for full retirement and eight others are or will be eligible for early retirement on September 30. In accordance with the Federal Code of Regulations, an employee separated by a reduction-in force (RIF) action is ineligible for a severance entitlement if they are eligible to receive an immediate annuity from a federal retirement system. For these nine staff, CRS will be liable only for terminal leave payments, estimated at about $49,000.

The Library's general policy is "to retain and to assign to other positions, insofar as may be possible . . . staff members whose positions are abolished." This may occur by assigning staff to vacant positions in other organizations within the Library, or by an employee affected by a RIF exercising their "bumping" rights to claim a position held by someone with less retention preference. It is conceivable that "bumping" could eventually force an involuntary separation of an employee in another Library Service Unit, in which case, the severance payments would not be reflected in the CRS budget. Further, given that the individual who is ultimately separated has the least seniority, the Library's fiscal liability would be reduced because the severance entitlement computation is based upon years of service and age. Should an affected employee decline a reasonable offer to be reassigned into another Library position, that employee forfeits his/her claim to receive severance pay. The severance entitlement terminates if/when an individual becomes employed under a qualifying appointment with the federal government or the government of the District of Columbia.

As stated by both the Librarian and the CRS Director, it is the hope of the institution that all of the affected staff will find alternative employment or be placed into vacant positions within the Library. If a formal RIF becomes necessary and the processes governing it are implemented, the Library of Congress has a good track record for placing employees and is hopeful that this will again be the case.

As stated elsewhere in these responses, the Library is seeking two new administrative provisions that would grant competitive status to Library staff who have completed their probationary period and places displaced Library staff on equal footing with Executive branch employees by making these employees eligible for vacant Executive Branch positions. These new provisions would expand options for Library staff facing a RIF and offers all Library employees additional opportunities for jobs and career growth in public service. As staff are successfully placed within the Library or with other federal agencies, the federal financial liability for severance pay decreases accordingly and could be eliminated altogether.

Question. Have you provided any Members of Congress, Congressional committees, or CRS staff copies of the studies or any other written analysis which led you to decide that 59 permanent positions should be eliminated by September 30, 2006? If not, members of this subcommittee would like to see copies of these studies.

Answer. A CRS "Director's Report" issued on November 3, 2005 provides a detailed analysis of the decision to eliminate the production support, technical support assistant, and audio-visual staff. That report was provided to selected members of the metropolitan area delegation, members of the Congressional Black Caucus, Congressional Hispanic Caucus, and the Congressional Asian Pacific Caucus. This report and extensive additional information also were provided to the House Adminis-

tration Committee and key staff on the Library's oversight committees. The report was also made available to all CRS staff members on the CRS staff web page. The Director's Report of November 3, 2005 follows.

DIRECTOR'S REPORT—FISCAL YEAR 2006 STAFFING CHANGES, NOVEMBER 3, 2005

SUMMARY

The Director of the Congressional Research Service (CRS) is vested by the Legislative Reorganization Act of 1970 with responsibility to assure the appropriate mix of employees and consultants to develop and maintain the information and research capability that he deems necessary to perform the statutory mission of the Service—to provide to the Congress, throughout the legislative process, comprehensive and reliable legislative research, analysis, and information services that are timely, objective, non-partisan, and confidential. The Director is also authorized to "establish and change, from time to time, as he considers advisable, within the Congressional Research Service, such research and reference divisions or other organizational units, or both, as he considers necessary . . ." From the statute, it is clear that the Director is obligated to undertake such reorganizations and staffing adjustments as he considers necessary to provide efficiently and effectively the products and services upon which Members and committees rely and have come to expect. The staffing adjustments announced recently fall squarely within this obligation. The Congress is facing many global and domestic financial challenges and has explicitly stated that Legislative Branch agency heads are expected to look within to find ways to streamline operations and pare all unnecessary duplication and costs that are not critical to achieving core business goals and objectives.

The following key points are discussed in the report.

The Decision

The Congressional Research Service will eliminate the production support, technical support assistant, and audio visual positions on September 30, 2006. This action affects 59 staff in a total workforce of nearly 700. The decision is based on a series of management reviews and evaluations of needed functions and activities which have been overtaken by technological advances. CRS will redirect the resources, currently committed to supporting these staff, to obtain new support capacities critical to service to the Congress.

Of the 59 staff, 38 are production coordinators or assistants (of which two are receptionists), 18 are technical support assistants, and three are in audio-visual support. The average compensation, including salary and benefits, for these staff is $75,101 per annum; the average salary without benefits is $60,636. Over one-half of these staff, 33, are either eligible for full voluntary retirement or voluntary early retirement and the maximum $25,000 separation incentive. Sixteen are not eligible to retire but are eligible for the maximum $25,000 separation incentive. The average separation incentive for these 16 staff is $16,906.

Currently 32.3 percent of CRS' total permanent workforce of 694 staff is minority. If all of the affected staff were to separate from CRS and no other attrition or hires were to take place (total staff reduced to 635), the total minority population would be 28.8 percent. The proportion of Asian Americans would increase from 4.5 percent to 4.7 percent; Native Americans would increase from .7 percent to .8 percent; Hispanics would remain the same; and the proportion of African Americans would decrease from 24.6 percent to 20.9 percent. It must be noted that these projections of course do not reflect new hires or the consequences of other attrition.

CRS is offering the 59 affected staff a variety of resources to assist in their planning, including an early retirement option, separation incentive of up to $25,000, retirement counseling, career and job counseling, and retention in their current positions through September, 2006.

CRS, as a result of management reviews and evaluations, has and continues to create new positions to meet critical work needs of the Service. Affected staff may apply for these positions through an open and competitive process.

Background

In fiscal years 2005 and 2006, the House and Senate Committees on Appropriations issued clear directives to all Legislative Branch agencies to maintain rigorous and disciplined business practices in agency operations, to contain costs, to establish strong agency-performance goals, and to report to the Congress on all of these activities. CRS based the fiscal year 2006 staffing decisions upon analytic and objective evaluations of how best to align resources to current, critical work needs.

The final fiscal year 2005 and 2006 appropriations for CRS require the agency to downsize permanently by the equivalent of about 30 full time equivalents (FTEs),

thereby reducing total FTEs from 729 to 700. Given the confluence of several factors, including a higher average grade level (higher level of expertise) and the continuing trend of increased costs for staff benefits (Federal Employee Retirement System benefits average 28 percent per employee versus an average of 13 percent per employee under Civil Service Retirement System), CRS requested in fiscal years 2005 and 2006 additional funds, $2.7 million and $3.6 million respectively, to compensate for funding shortfalls in its budget base. Congress did not fund the request in fiscal year 2005 and provided $500,000 toward this shortfall in 2006. CRS must be vigilant to maintain the necessary analytic strength to support the Congress, and it must maintain an infrastructure that meets and keeps pace with the Congress' evolving needs. The fiscal year 2006 staffing decisions are part of the Service's overall strategy to accommodate a downsized CRS within the framework of a fiscally constrained budget.

CRS has taken action and implemented adjustments over the last five years to ensure that its resources are properly aligned with congressional needs. These adjustments resulted in the elimination and restructuring of organizational units; the elimination, downgrading, and creation of positions; and the use of contractors to undertake specific work needs. CRS based each adjustment upon formal assessments of the impact of new technologies on the work; the existing content, structure and processes of the work performed; the skills and abilities needed to undertake the work; and in some cases, consideration to outsource the work based upon a cost and feasibility analysis. Examples of recent assessments follow:

—1. *The role of information professionals/librarians within CRS*. The result of this study led to the elimination of a CRS office and a division (Office of Information Resources Management and Information Research Division) and the creation of one smaller, integrated division, the Knowledge Services Group. The work of librarians, as well as all paralegal, technical information, and most library technician staff, throughout the Service was redefined and adjusted. Positions were created to undertake new functions, revisions were made to other positions to align the work directly to the new organization, some positions were eliminated, and some activities were contracted out. During the assessment, no new permanent hires were made into positions under review. Today, the new, more efficient, organization consists of 54 fewer staff performing the work—a staff reduction from 190 to 136.

—2. *Examination of support positions within three infrastructure offices.* Three separate studies evaluated the functions supporting CRS formal programs and seminars in the Legislative Relations Office and of administrative functions within the Offices of Finance and Administration and Workforce Development. These studies resulted in CRS creating and competitively filling new positions at lower grade levels. For example, program aide positions were redesignated at a GS–11 level rather than GS–13. Administrative support grade levels within the Offices were reduced, on average, from GS–11 to GS–7.

—3. *Integration of CRS' economists and scientists with other policy research disciplines.* This study led to the elimination of two research divisions (Economics and Science Policy), the integration of the economists and scientists into the other policy divisions, the elimination of seven senior level research coordination positions, and the return of five senior level specialists to full time research.

—4. *Outsourcing of selected support functions.* Other functional assessments resulted in expanded outsourcing of CRS support activities, including mail and courier service, technical troubleshooting (help desk and user support), receptionist duties, and copy center operations.

INTRODUCTION

The Director of the Congressional Research Service is vested by the Legislative Reorganization Act of 1970 with responsibility to assure the appropriate mix of employees and consultants to develop and maintain the information and research capability that he deems necessary to perform the statutory mission of the Service—to provide to the Congress, throughout the legislative process, comprehensive and reliable legislative research, analysis, and information services that are timely, objective, non-partisan, and confidential. The Director is also authorized to "establish and change, from time to time, as he considers advisable, within the Congressional Research Service, such research and reference divisions or other organizational units, or both, as he considers necessary . . ."[1] From the statute, it is clear that the Di-

[1] 2 U.S.C. 166 (d, f).

rector is obligated to undertake such reorganizations and staffing adjustments as he considers necessary to provide efficiently and effectively the products and services upon which Members and committees rely and have come to expect. The staffing adjustments announced recently fall squarely within this obligation. The Congress is facing many global and domestic financial challenges and has explicitly stated that Legislative Branch agency heads are expected to look within to find ways to streamline operations and pare all unnecessary duplication and costs that are not critical to achieving core business goals and objectives.

CURRENT CONDITIONS RELEVANT TO STAFFING DECISION

Congressional Directives and the CRS Budget

In fiscal years 2005 and 2006, the House and Senate Committees on Appropriations issued clear directives to all Legislative Branch agencies to maintain rigorous and disciplined business practices in agency operations, cost containment, and achievement of agency-performance objectives. The use of sound business practices has been, and will continue to be, the way CRS is managed. The fiscal year 2006 enacted budget places financial constraints on CRS operations and reinforces Congress' expectation that CRS contain costs while sustaining a highly productive, high performing agency. Appendix A provides excerpts from the committee reports.

Eighty-eight percent of the CRS budget, now just over $100 million, is earmarked for the "salary and benefits" costs of its workforce. Over the past ten years, the Service's annual adjustments provided through the budget process have not kept pace with the rapidly increasing costs of sustaining CRS' workforce, due to several factors:

—a gradual and necessary shift to more highly skilled expertise in the CRS workforce composition to support the Congress in increasingly complex policy areas (e.g., combating terrorism, assimilating information technologies in industry, commerce and governments, and the implications of an aging population). In the period from fiscal year 1995 to the present, the average grade level of a CRS hire has increased from GS–7, Step 9 to GS–13, Step 9;

—a shift in the proportion of the workforce participating in the Federal Employee Retirement System, for which the average employer-paid benefits rate of 28 percent is twice that of a Civil Service Retirement System employee making the same salary (with an average employer-paid benefits rate of 13 percent);[2]

—the adverse impact of annual rescissions in which losses are not recovered in subsequent years; and

—the fact that the President has implemented actual pay raises that are higher than those provided in the Legislative Branch bills in nine of the last ten years.

While each of these factors would produce a marginal impact in the course of a single year, the cumulative and combined impact of all of them has generated a funding gap of nearly $4 million over the course of ten years.

In fiscal years 2005 and 2006, CRS requested a one-time budget base adjustment ($2.7 to $3.6 million respectively) "catch-up," that would have provided the funding needed to recover lost cost increases (purchasing power) and to rebuild the CRS workforce to the 729 full time equivalent (FTE) ceiling authorized by the Congress. In both years CRS informed the Congress that without the additional funding, the Service's workforce would necessarily be drawn down to a level of about 700 FTEs, causing a serious impact on its ability to sustain the research capacity required to fulfill its mission and meet the needs of the Congress.[3] The Congress did not support the request in fiscal year 2005, and in fiscal year 2006 authorized $500,000 to-

[2] The Federal Employees Retirement System Act of 1986 (Public Law 99–335) requires all federal employees initially hired into permanent positions after 1983 to be covered by the Federal Employees Retirement System (FERS). Federal employees hired before 1984 are covered by the Civil Service Retirement System (CSRS) unless they elected to switch to FERS during "open seasons" held in 1987 and 1998. For CSRS participants, the total employer-paid benefits per employee averages about 13 percent of the base pay. For staff participating in FERS, the employer-paid benefits cost averages about 28 percent of the base pay—due in large part to the Thrift Savings Plan matching component of FERS—making FERS significantly more expensive to the employing agency. As the older CSRS staff retire and the proportion of the workforce covered by FERS increases, the agency overhead costs related to staff benefits increases.

[3] Testimony of Daniel P. Mulhollan, Director, Congressional Research Service, U.S. Congress, House, Committee on Appropriations, *Legislative Branch Appropriations for 2005*, hearing, 108th Cong., 2d sess., (Washington: GPO, 2004), p. 274; and testimony of Daniel P. Mulhollan, Director, Congressional Research Service, U.S. Congress, House, Committee on Appropriations, *Legislative Branch Appropriations for 2006*, hearing, 109th Cong., 1st sess., (Washington: GPO, 2005), p. 593.

wards this shortfall. CRS can no longer sustain a capacity of 729 full-time equivalent employees.

CRS Management Initiatives

Well before the issuance of fiscal year 2005 and 2006 report language from the House and Senate (see Appendix A), and with the goal of maintaining a cost-effective organization, CRS had been undertaking systematic assessments to identify current and future resource needs and to identify functions that should be eliminated or re-engineered due to technological advancements, internal work processes and congressional needs. Listed below are some of the more significant management initiatives CRS has instituted and the results of these initiatives. CRS has:

—Developed and implemented an annual staffing assessment to determine four key factors: (1) anticipated and known attrition, (2) anticipated legislative issues, (3) likely gaps in the Service's capacity to meet the needs of Congress, and (4) current and future staffing needs. This assessment forms the basis for the Service's annual hiring plan and is a critical activity since staff salaries and benefits comprise 88 percent of the CRS budget.

—Implemented an annual "zero scrub" of the 12 percent of the CRS budget devoted to nonpersonnel costs to validate each planned expenditure and to identify expenditures that should either be considered for reduction or elimination, or adjusted upwards to meet agency needs;

—Created a new performance assessment system for senior-level managers; and

—Instituted annual program and activity reviews to assess the efficiencies and effectiveness of current operations, as well as identify potential need to re-engineer or realign resources.

Resulting actions—organizational and staff realignments:

—*The role of information professionals/librarians within CRS.* The result of a two year study led to the elimination of a CRS office and a division (Office of Information Resources Management and Information Research Division) and the creation of one smaller, integrated division, the Knowledge Services Group. The work of librarians, as well as all paralegal, technical information, and most library technician staff, throughout the Service was redefined and adjusted. Positions were created to undertake new functions, revisions were made to other positions to align the work directly to the new organization; some positions were eliminated; and some activities were contracted out. During the assessment no new permanent hires were made into positions under review. Today, the new, more efficient, organization contains 54 fewer staff to perform the work, a reduction from 190 to 136 staff members.

—*Examination of support positions within three infrastructure offices.* Three separate studies evaluated the functions supporting formal CRS programs and seminars in the Legislative Relations Office and of administrative functions within the Offices of Finance and Administration and Workforce Development. The result of these studies led CRS to create and competitively fill new positions at lower grade levels. For example, program aide positions were redesignated at a GS–11 level rather than GS–13. Administrative support grade levels within the Offices were reduced on average from GS–11 to GS–7.

—*Integration of CRS' economists and scientists with other policy research disciplines.* This study led to the elimination of two research divisions (Economics and Science Policy), the integration of the economists and scientists into the other policy divisions, the elimination of seven senior level research coordination positions, and the return of five senior level specialists to full time research.

Resulting actions—activities and services eliminated:

—Eliminated two product lines—Info Packs and Electronic Briefing Books;

—Closed two research centers—located in the Longworth and Ford House office buildings;

—Eliminated indexing of committee prints;

—Shifted CRS product distribution from a primarily paper-based inventory to primarily web-based, on-demand printing;

—Eliminated the public policy literature file and service;

—Closed one copy center; and

—Eliminated and consolidated division libraries.

Resulting actions—activities and services outsourced:

—Mail and messenger services;

—Copy center operations;

—Receptionist functions;

—Selected technology support; and

—Selected library technical support.

The most recently completed 2005 program and activity reviews include an assessment of the functions currently performed by CRS production support staff, technical support assistants, and audio-visual staff. These assessments formed the basis for the actions underway in these support activities. Studies to assess other activities and functions are in progress.

PRODUCTION SUPPORT, TECHNICAL SUPPORT ASSISTANT, AND AUDIO-VISUAL FUNCTIONS

Studies and Findings

Data for these 2005 studies came from a variety of sources, including multiple discussions with potentially affected staff; a thorough review of all relevant position functions; initial and subsequent meetings with each assistant director and deputy assistant director, some associate directors, and a sample of analysts, attorneys, editors, and section heads. Information was collected using structured questions and analyses of documents provided by CRS staff.[4]

Aware of the changing functions needed to support its analytic work, CRS last filled a primary production support position in 1997; a technical support assistant position in 1999; and an audio-visual position in 1991. The studies undertaken in 2005 confirmed that the functions identified and performed by staff in these positions, while appropriate and warranted ten years ago when first created, have been overtaken by advances in technology and desktop computing.

The in-depth reviews of the production-support and technical-support assistant functions confirmed that advances in technology have changed both the expectations staff have with regard to the capacity and power of their desktop computing capabilities and ease of using these technologies in their day-to-day work. Ten years ago, when CRS created the technical support assistant positions, the software and operating systems used by the Service required a hands-on presence by supporting staff, leading to the necessity of investing in a significant number of technical support positions. For example, in the past operating systems and software applications were manually installed machine by machine. Today's computing environment is supported centrally via "push" technology that enables sophisticated software packages and upgrades to be loaded on more than 700 computers from a single, central location within a few minutes. Such technology also allows for a computer specialist to gain remote access to or "proxy into" a computer in order to evaluate and troubleshoot technical problems directly with the user.

In addition, more than one-third of CRS' current analytic staff has been hired in the last five to six years. They are more technologically adroit, routinely producing final products at their desktops. And as a result, the majority of CRS analysts no longer rely on the production staff to help with product creation. Further, CRS is moving away from providing the Congress with paper copies of reports to a primarily web-based delivery system, with products prepared in both PDF and HTML. Software and other technology advances have simplified product delivery and incorporated most of the formatting directly in the software on the author's desk. The CRS Electronic Research Products Office is responsible for preparing CRS written products for final congressional publication and dissemination, hence this function is not undertaken by the individual analyst or production support coordinator or assistant.

Direct congressional demand for audio-visual products has been declining for more than ten years. And the need by CRS analysts for audio-visual support is uneven calling into question the need to retain a separate, in-house staff for this purpose.

Since the functions needed to support effectively and efficiently the administrative, product-preparation, and technology assistance activities are significantly different from what is currently being performed, the Director decided to eliminate the current positions and redirect these resources to fulfilling newly identified support needs. In order to accommodate remaining audio-visual needs the Service is exploring outsourcing options. Appendix B provides additional information on the studies.

[4] In 2000, a preliminary review of the functions carried out by the CRS production staff suggested that technological advances in word processing were beginning to have implications for the ability to sustain staff resources devoted to supporting word processing activities. While determining the long-term consequences of these advances on CRS staffing levels, the Service did not fill any production coordinator or assistant positions thus, in effect, implementing a freeze on these positions until further study could be undertaken.

AFFECTED STAFF

Positions Affected

Production support and receptionist duties[5]: The 38 individuals affected by this decision are in positions at grade levels GS–4 to GS–11. With the exception of two receptionists, the principal functions of the current production staff include:

—supporting research analysts throughout the entire product preparation process to include the creation, formatting, styling, editing and appearance of written documents, and in the development of graphics and tables when needed;
—creating macros, templates and other guides to use in supporting research analysts as they prepare their written products;
—meeting the needs of division authors with respect to design, format and presentation of written products;
—working with division management to ensure uniformity of style and format for division research products consistent with Service-wide standards; and
—delivering final products to the CRS Review Office and the Electronic Research Products Office.

Technical Support: The 18 individuals affected by this decision are in positions at the GS–12 grade level. The principal functions of the current positions include:

—analyzing operations with requirements that can be met through limited customization of existing hardware components and/or software packages;
—installing standard and specialized software on individual computers within a division or office;
—keeping systems fully operational, integrated with other CRS systems, and current with new developments in technology; and
—serving as trouble shooter for various computer problems encountered by division/office staff.

Audio-visual support: The three individuals affected by this decision in the audio-visual specialist/officer position are at the GS–12 and GS–13 grade levels. Highlights of their current functions include taping and editing scheduled programs and creating videos of a small number of CRS experts who have prepared educational presentations such as Supreme Court nominations and congressional procedures.

Salaries and Compensation

The total projected fiscal year 2006 cost for the 59 staff who are affected by this decision is $4,430,962. Salaries and benefits for individual staff range from $35,141 to a high of $115,678—the average being $75,101. Further analysis of the data indicates that the salaries (excluding benefits) for the affected staff range from $26,989 to $99,223, with an average salary of $60,636. The median salary of these staff is $52,082; eight staff earn less than $50,000 per year. Appendix C includes a more detailed display of the salaries and benefits for the affected staff.

Retirement Eligibility

CRS is offering a voluntary early retirement option and separation incentive payment[6] to the affected staff. CRS sought these options based on the following information about the 59 affected staff:

—33 of the affected staff are either eligible for full voluntary retirement or voluntary early retirement and are eligible to receive the maximum $25,000 separation incentive (16 for full retirement and 17 for early retirement);
—16 are not eligible to retire but are eligible for the maximum $25,000 separation incentive;
—Nine who are not eligible to retire, are eligible for separation incentive payments ranging between $3,434 to $21,943, at an average of $16,906; and
—One staff member, a receptionist, is not eligible for a separation incentive because he has not fulfilled the requirement of three years' employment with the government.

Appendix C also includes data on the retirement eligibility of affected staff.

Diversity

A consequence of the 2006 staffing decisions is its potential impact on the Service's workforce diversity profile. Table 1 below demonstrates that if all of the affected staff were to separate from the CRS workforce (data as of September 15,

[5] Receptionist functions have been outsourced, and as a result the two remaining receptionists in the Service are included as part of these staffing changes.

[6] CRS has the authority to grant the separation incentive payment to a maximum of 50 staff. Up to 10 of these payments may be granted to staff outside of these affected positions—the staff of the Knowledge Services Group. There is no limit, however, on the number of affected staff who can take advantage of the voluntary early retirement option.

2005), with no other attrition or hires, the minority population of the CRS workforce would represent 28.8 percent rather than 32.3 percent of total staff. This computation, while accurate, may overstate the implication of the reduction on minority staff. There is no way to predict the impact other attrition might have on the Service's workforce composition or the impact of planned 2006 hires. Further, given that 16 of these staff are currently eligible for full voluntary retirement, it is possible that many of these staff would have retired during this period, regardless of the reengineering efforts underway.

If no other element of our current profile changed, the elimination of these positions would result in an increase in the proportion of Asian Americans in the total workforce from 4.5 percent to 4.7 percent; the proportion of Native Americans would increase from .7 percent to .8 percent; Hispanics would remain the same, at 2.4 percent; while the proportion of African Americans would decrease from 24.6 percent to 20.9 percent.

TABLE 1.—DIVERSITY COMPOSITION OF THE CRS STAFF

	Total CRS Perm/Ind Workforce Composition as of 9/15/05		Projected CRS Perm/Ind Workforce Composition as of 10/1/06	
	Number	Percent	Number	Percent
Female	357	51.4	317	49.9
Male	337	48.6	318	50.1
Total	694	100.0	635	100.0
Minority composition	224	32.3	183	28.8
Nat Am/Alaskan	5	0.7	5	0.8
Asian American	31	4.5	30	4.7
African American	171	24.6	133	20.9
Hispanic	17	2.4	15	2.4
Non-Minority	470	67.7	452	71.2
Total	694	100.0	635	100.0

Appendix D provides the diversity composition of the affected staff.

Services to Affected Staff

CRS is offering a variety of resources to staff to assist them in their decision making and transition. CRS requested of the Congress and received authority to offer a separation incentive payment of up to $25,000 to staff separating through retirement with a full annuity, early retirement, or resignation. CRS is granting staff one full year to find alternative employment and offering numerous specialized and individual services to help them achieve that objective, including job and retirement counseling. Appendix E provides a detailed list of the services and resources being offered to the 59 affected staff.

It is CRS' hope that these measures will eliminate the need to undertake a reduction-in-force (RIF) in September of 2006. However, after September 2006, staff who remain in the positions targeted for elimination will be subject to RIF procedures.

NEW POSITIONS

CRS is redirecting its resources to acquire new and different support capacities generated by technological changes and new work processes. CRS will be competitively filling these new support positions in the near future. There will be fewer positions and some will be classified and filled at lower grade levels.

The new positions are summarized below. A description of existing positions is included to provide a context for the new capacities. The language used to describe the duties of these positions is primarily derived from the relevant, official position descriptions.

Administrative Support Positions

GS–8 Senior Production Assistant (current)

Performs duties related to the preparation of various written products that CRS produces for the Congress to include Reports, Issue Briefs and memoranda. Supports research analysts throughout the entire production process to include the creation, formatting, styling, editing and appearance of written documents and in the

development of graphics and tables when needed. Is responsible for product delivery and for working with the Electronic Research Products Office (ERPO) to finalize products, making changes as needed following the review of the ERPO editors or the CRS Review Office. May use computer on-line systems to retrieve information in support of the researcher's written products.

GS–7 Administrative Support Assistant (new)

Performs support functions related to the administrative operations of the division. Implements and maintains division-wide administrative control systems to include confidential division files, correspondence tracking and the disposition of records. Ensures that division staff at all levels are fully informed on CRS and Library administrative practices, procedures and other administrative requirements. Initiates the development of new and revised administrative policies and procedures for the division as appropriate. Works with the supervisor to ensure that division managers and staff requests for training and travel are processed in an accurate and timely manner and tracks the progress of these requests through to approval. Uses appropriate software applications to generate administrative documents and forms. Serves as the central point of contact for all division staff regarding questions and issues related to the web- based time and attendance system.

GS–11 Senior Production/Administrative Coordinator (current)

Oversees the function that supports the preparation of CRS written products including managing the production work-flow, clearing products for style, format, and editorial accuracy, maintaining records of the location of research products, transmitting written products to the CRS Review Office and the Electronic Research Products Office and other duties related to the support of the research production/preparation function in the division. Provides training and trouble-shooting service for the senior production assistants and other support staff in the division. Helps to create macros, templates and other guides for the support staff to use in supporting research analysts as they prepare their written products. Advises the support staff on how to meet the needs of division authors with respect to design, format and presentation of written products. Works with division management to ensure uniformity of style and format for division research products consistent with Service-wide standards.

GS–11 Supervisory Administrative Coordinator (new)

Advises the head of the division (the assistant director) on the administrative needs and requirements of the division, serves as the principal point of contact for the division, and supervises the work of administrative and clerical division staff. Coordinates with senior CRS and Library managers and with subordinate offices to communicate and interpret administrative/management assignments, recommend appropriate action or suggest alternative approaches, and follow up as appropriate to ensure proper and timely response to assignments. Manages the division's official correspondence and a wide variety of correspondence from within and outside the agency. Manages the assistant director's calendar and initiates contacts and oversees logistical planning and preparation for the assistant director's meetings. Undertakes special administrative projects or management studies either individually or as a participant on task forces or working groups. Monitors and evaluates the activities of contractors assigned to perform clerical activities for the division.

Technical Support Positions

GS–12 Senior Technical Support Assistant (current)

Provides de-centralized technical support to divisions and offices. Independently analyzes operations with requirements that can be met through limited customization of existing hardware components and software packages. Installs standard and specialized software. Independently designs, develops, documents, and manages systems that require important but limited customization. Keeps such systems fully operational, integrated with other CRS systems, and current with new developments in technology. Creates documentation for end users of systems; typically the entire staff of a division or office. Serves as trouble shooter for various computer problems encountered by division/office staff. Prepares documentation and establishes procedures to assist other technical support assistants to diagnose and solve trouble calls in a number of technical areas supported by the CRS Technology Office. Develops and delivers training courses for groups of 10–12.

GS–11 Technical Writer-Editor (new)

Plans, writes, and edits a variety of technical documents, including guidelines, reference materials, fact sheets, website entries, and standard operating procedures; ensures accuracy, consistency, format, completeness, spelling, punctuation, capital-

ization, and syntax. Produces technical material for a variety of offices, and determines the adequacy of materials prepared by others. Utilizes substantial subject matter knowledge to interpret technical material for a variety of audiences.

GS–14 Information Technology Specialist—INFOSEC (new)

Serves as a technical authority and assists in planning, directing, and coordinating the implementation and execution of approved security policies, programs, and services related to Information Technology (IT) systems. Oversees or coordinates the preparation of security testing and implementation plans. Plans and investigates mission-critical cybersecurity violations that affect the integrity of an agency-wide IT infrastructure, and develops long-range plans for IT security systems. Leads the implementation of security programs for the Service designed to anticipate, assess, and minimize system vulnerabilities. Conducts difficult and sensitive computer forensic investigations, and ensures the integration of IT programs and services.

GS–7 Office Equipment Administrator (new)

Monitors the CRS copy centers, determining whether print jobs require assistance to be completed; tracks work produced for accuracy, quality, and production timeliness; and analyzes system down-time. Monitors CRS copiers and other office equipment, and identifies obvious trends, or deviations that could impact services provided. Provides support and assists in the planning, review, and reporting of data/statistical results of programs and project studies, and compiles statistical data to assist with the overall evaluation and selection of equipment.

Status of New Positions

CRS posted the vacancy announcements for the supervisory administrative coordinator positions on October 18, 2005 and the administrative support assistant positions on October 24, 2005. CRS anticipates that vacancy announcements for the other three technical positions will open by the end of November.

CRS is also creating quality assurance editor and publication-support positions to assist with the dissemination of CRS products to the Congress. Work on these positions are underway. Vacancy announcements for these positions may be open by late-November.

Affected staff may apply for these new positions under the Library of Congress merit selection process.

FISCAL YEAR 2006 HIRES

In addition to filling positions in the new support areas described above, CRS will continue hiring staff to sustain analytic capacity and prepare for the succession of senior leadership. While the total CRS workforce is smaller today than in 1999, the proportion of analytic staff compared to the total workforce has increased. As of September 15, 2005, CRS analytic capacity represents 333 permanent, full time staff members (47.9 percent) of a total staff of 694 compared to 287 permanent, full-time staff members (40.8 percent) of a total staff of 703 in fiscal year 1999. The 2006 staffing decisions were made in the context of honoring the congressionally supported succession plan of the late 1990s and maintaining a Service-wide infrastructure in a manner that adequately addresses analytic capacity and research needs.

In fiscal year 2006, unless faced with an across-the-board rescission, the Service anticipates hiring four attorneys in American Law; eight analysts in Domestic Social Policy; six analysts in Foreign Affairs, Defense and Trade; four analysts in Government and Finance; and six analysts in Resources, Science and Industry. Consistent with succession planning, CRS will be filling positions for a deputy associate director for finance and a deputy associate director for congressional affairs. The Service will continue to review the current section head duties as part of CRS' ongoing succession planning.

CONCLUSION

CRS is making every effort to manage its resources so as to perform efficiently and effectively its statutory mission of service to the Congress, while at the same time coping with the constrained Legislative Branch budget that has prevailed in recent years. The Service has been directed by the Congress to find ways to streamline its operations, eliminate unnecessary duplication, explore options for outsourcing appropriate functions, and to align resources in a cost-effective manner while achieving performance goals that meet congressional needs.

The decisions outlined in this report were made with full recognition of and appreciation for the contributions made by affected CRS staff, and with much attention focused on finding ways to mitigate the impact on those employees. As described,

CRS is providing time for the affected staff to make personal decisions by delaying implementation for a full year. CRS also has obtained from the Congress authority to offer separation incentive payments and approval from the Office of Personnel Management to offer a voluntary early retirement option. The Service also is applying resources through September 2006 to assist staff during the phase out of their positions by offering them services which include: career counseling, job search assistance, and retirement counseling.

In summary, obligations for good stewardship have led the Service to make some very difficult decisions. CRS has done so in keeping with recent congressional directives and budget decisions and only after a thorough examination of all available options and proper attention to the implications for staff.

APPENDIX A: EXCERPTS FROM THE FISCAL YEARS 2005 AND 2006 REPORTS OF THE HOUSE AND SENATE COMMITTEES ON APPROPRIATIONS

Fiscal Year 2005

From U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations, 2005*, report to accompany H.R. 4755, 108th Cong., 2d sess., H. Rept. 108–577 (Washington: GPO, 2005). Excerpts:

Legislative Branch Wide Matters

Budget requests.—The Committee wants to underscore the fact that with record deficits, a war on terrorism, and troops on the ground in Afghanistan and Iraq, the budget requests from the agencies of the Legislative Branch cannot continue to be presented with requested increases as high as 50 percent. The Committee expects that future budget submissions will take into consideration the overall budget constraints placed on the entire Federal budget and that more reasonable budget requests will be forthcoming in future years. (p. 4)

Potential for savings.—. . . The Committee directs the General Accounting Office (GAO) to work closely with the head of each Legislative Branch entity to: (1) identify opportunities that will streamline the agency organization and eliminate organizational layers; (2) outsource operations that will result in providing higher quality and less costly services; (3) utilize existing technology to enhance operational efficiency; (4) implement management changes, which will increase efficiency and effectiveness of agency operations; and (5) where applicable apply the "Federal Activities Inventory Reform Act", and "Chief Financial Officers Act", and the "Government Performance and Results Act". The committee directs that the GAO report its findings, including recommendations for changes, to the Committee on Appropriations of the House and Senate by January 10, 2005. Each agency of the Legislative Branch should be prepared to discuss recommended changes during the fiscal year 2006 appropriation hearing cycle. (pp. 4–5)

Outsourcing.—. . . the Committee directs that each agency of the Legislative Branch examine potential outsourcing opportunities of the following areas: Information management operations and site management; building facilities and grounds management and operations; human resources management and operations; training functions; vehicle maintenance and management; physical security; financial operations; and printing operations. Each agency is expected to not only examine the areas outlined, but also examine other activities and functions that are unique to each agency to determine if further outsourcing opportunities exist. (p. 5)

Congressional Research Service

The Committee is concerned with the potential for duplication of support activities between the Congressional Research Service Unit and the Library of Congress, Salaries and Expenses account. The Committee funds centralized support organizations such as Information Technology Services, Human Resources Services, Office of the Chief Financial Officer, and Integrated Support Services to provide Library-wide support services, which helps to reduce duplicate systems and processes throughout the Library accounts. Of particular note, in this year's budget request, the Library is requesting in two separate accounts funding for the Alternate Computer Facility and XML capabilities which may reflect duplication of support services. The Committee directs that the Library of Congress conduct a study of such functions as information technology, human resources, financial services, space management, and other support functions to determine whether any duplicate or overlapping activities exist. The findings of the study are to be provided to the Committee on Appropriations of the House and Senate prior to the fiscal year 2006 budget submission and any budgetary reductions or realignments be so reflected in the fiscal year 2006 request. (p. 24)

From Statement of Managers accompanying the conference report to H.R. 4755, H. Rept. 108–792, see Congressional Record (daily edition), November 19, 2004, p. H10770.

The conferees emphasize to the Legislative Branch agencies that the large budgetary increases requested in the fiscal year 2005 budget submissions cannot be sustained. The conferees encourage the agencies to submit more reasonable budget requests for fiscal year 2006, and thereafter.

Fiscal Year 2006

From U.S. Congress, House Committee on Appropriations, *Legislative Branch Appropriations, 2006*, report to accompany H.R. 2985, 109th Cong., 1st sess., H. Rept. 109–139 (Washington: GPO, 2006).

Legislative Branch Wide Matters

Mandatory and Price Level Increases.—After reviewing budget presentation materials submitted by Legislative Branch entities, it is apparent to the Committee that there is a wide variance in how the agencies formulate and present budget estimates, especially estimates for mandatory, or uncontrollable budget increases. To facilitate the Committee's review and analysis of budget requests, the Government Accountability Office (GAO) is directed to review and evaluate the basis of each Legislative Branch agency's budget estimates with the exception of those of the House and the Senate. This review should place particular emphasis on evaluating the basis of each agency's estimates of uncontrollable costs, including what the agency presents as "mandatory" and "price level expenses". GAO shall recommend to the Committee budget formulation policy changes that address the composition of estimates as well as presentation format. Also, GAO is directed to examine each agency's treatment of Full-Time Equivalents (FTE's) in its budget submission and recommend consistent guidelines each agency can follow in formulating, presenting, and justifying its FTE requirements. GAO should also evaluate each agency's treatment of non-recurring requirements. This evaluation should be of requirements below the program level not simply a list of non-recurring programs. GAO shall recommend to the Committee a consistent analytical approach, which can be used by each agency to identify non-recurring requirements of individual programs and reflect those changes in budget presentation materials. GAO shall report to the Committee on Appropriations of the House and Senate the results of its efforts by October 1, 2005 to provide sufficient time for the Committee to review and analyze so that Legislative Branch agencies incorporate the appropriate changes in the formulation of their fiscal year 2007 budget requests. (pp. 4–5)

Legislative Branch Agency Reforms.—The Congress and the nation are faced with increased demands for Federal funds for every increasing domestic and international program. The Committee is impressed with the management and operational reforms implemented in several Legislative Branch agencies over the past few years, including the Government Printing Office, the Government Accountability Office and the Chief Administrative Office of the House of Representatives. The Committee believes that other legislative agencies can benefit by the examples set by these agencies. Further opportunities exist for increases in efficiency resulting from new technology, performance based management, and other management improvements. The Committee understands that organizational reform is difficult, however, the task can be achieved if strong and dynamic leadership is attained. The Committee extends the following advice gleaned from these successful agencies. It is critical that agency heads look to the future in planning these endeavors and that mid-managers and employees are participants as well as stakeholders in the process. The leaders and employees are guided in developing and embracing their own logical and clear strategic vision for the organization's future. Agency management needs to identify leaders at all levels that will embrace change, and never lose sight of the most important asset of any organization, the staff and workforce. The Committee expects that all agencies will continue to look within for ways to complete their missions by using the guidance and experiences of their successful sister agencies as models to reduce the demand for additional staff and larger budget increases in the coming fiscal years. (p. 5)

Review statutes of legislative branch agency heads.—There currently exist various laws, processes, and practices governing the selection, appointment, removal, compensation, and term of service of the Heads and the Deputies of various agencies in the Legislative Branch, including the Office of Compliance, the Congressional Budget Office, and the Architect of the Capitol, the Library of Congress, the Government Printing Office, and the General Accounting Office. The Committee suggests that the Joint Leadership of Congress, in order to establish uniformity, should re-

view, evaluate and consider the appropriate changes to current legislation and regulations governing these positions. (p. 6)

From U.S. Congress, Senate Committee on Appropriations, *Legislative Branch Appropriations, 2006*, report to accompany H.R. 2985, 109th Cong., 1st sess., S. Rept. 109–89 (Washington: GPO, 2005).

Government Performance and Results Act

The Committee supports the applicability of many Government Performance and Results Act (GPRA) principles to the Legislative Branch. GPRA encourages greater efficiency, effectiveness, and accountability in Federal spending, and requires agencies to set goals and use performance measures for management and budgeting. While most Legislative Branch agencies have developed strategic plans, several agencies have not effectively dealt with major management problems and lack reliable data to verify and validate performance. While Legislative Branch agencies are not required to comply with GPRA, the Committee believes the spirit and intent of the Results Act should be applied to these agencies. The Committee intends to monitor agencies' progress in developing and implementing meaningful performance measures, describing how such measures will be verified and validated, linking performance measures to day-to-day activities, and coordinating across "sister" agencies. The Committee directs all legislative branch agencies to submit their plans for achieving this goal within 90 days of enactment of this Act. (pp. 3–4)

Library of Congress

The Committee recognizes the high priority of the Library's research mission in support of the Congress, which is reflected in the amount recommended for the Congressional Research Service. (p. 35)

The Committee is concerned about the lack of transparency in the Library of Congress budget presentation. It is not always clear and understandable. The budget presentation materials do not present meaningful programmatic information from a zero-based perspective that allow the Committee to determine how priorities are established and where tradeoffs could be made. Therefore, the Committee directs the Library of Congress to develop a budget presentation and justification package for the fiscal year 2007 budget cycle that clearly addresses rates and assumptions used in the base as well as a clear description for each program of what drives demand for the program, what the nature of the program's workload is, and what service or outcome each base program is intended to produce. A clear description of new program starts and a detailed break out of rates and assumptions associated with cost estimates for those programs including demand, workload, and outcome should also be provided along with a clear explanation of how each program relates to goals and objectives set forth in the Library's strategic plan. The Committee expects the Library will consult with the Government Accountability Office (GAO) on the development of this new presentation package. (p. 35)

APPENDIX B: FINDINGS FROM THE PRODUCTION SUPPORT, TECHNICAL SUPPORT ASSISTANT, AND AUDIO-VISUAL FUNCTIONS

Summary of the Program Activity reviews

Methodology

In 2005 CRS undertook assessments of its production, technical support, and audio-visual needs, as well as the functions currently provided within the Service in those areas. Data for these studies came from a variety of sources, including multiple discussions with potentially affected staff; a thorough review of all relevant position functions; initial and subsequent meetings with each assistant director and deputy assistant director, some associate directors, and a sample of analysts, attorneys, editors, and section heads; and the use of structured questions.

Production and Administrative Support Functional Review: Findings Summary from the January 2005 Study

The study of production and administrative support functions found that the technical needs of research and analytic staff have changed. The study found that the technical skills of newly hired analysts and attorneys often exceed those that the production staff regularly demonstrate. Concurrently, there is a need for increasingly advanced and specialized technical skills to do the more sophisticated product-preparation work now required.

Production staff indicated that they primarily perform administrative functions (e.g., logging ISIS requests, recording and reporting time and attendance, managing and ordering supplies, and performing general receptionist activities). Some study participants stated that some production staff do not consider currently needed

tasks as part of their duties and responsibilities. An example is importing data from a variety of sources and transforming that data into tables, graphs, and charts for inclusion into CRS products. Several production staff reported oftentimes not having enough work to keep them occupied full time.

As a result, the current system has created unmet production needs and shifted product-preparation demands, particularly for assistance in creating graphics and obtaining editorial assistance. Some analysts have come to rely upon the Electronic Research Products Office and the CRS Technology Office (TO) for assistance with these tasks.

Technical Support Assistant Functional Review: Findings Summary from May 2005 Study

Because CRS research and analytic staff have become more technically sophisticated, the need for basic technical services has decreased. The study found that newly hired and other technically sophisticated staff are more likely to try to diagnose and solve problems themselves before contacting a technical support assistant (TSA). Also, the study found TSA skill levels inconsistently meet the needs of CRS staff.

TSAs provide a wide array of technical support assistance: most work involves resolving hardware, software, CPU, password, and network issues. Some also assist with special projects, provide graphics/mapping support, develop guidance documents, and assist TO with Service-wide projects. Study participants noted that work required of TSAs is not standardized across CRS but instead varies by division and office.

The current decentralized organizational structure does not ensure consistent technical expertise. Across the research divisions TSAs report to different levels of staff (assistant director, deputy assistant director, project management coordinator, etc.), who prepare their performance reviews. Further, potential for duplication of efforts among CRS help desk and user support units and TSAs is not cost-effective.

Audio-Visual Support Functional Review: Findings Summary from August 2005 Study

Direct congressional demand for audio-visual products has been declining for more than ten years. And the need by CRS analysts for audio-visual support is uneven calling into question the need to retain a separate, in-house staff for this purpose.

APPENDIX C: SALARY, COMPENSATION, AND RETIREMENT ELIGIBILITY FOR THE AFFECTED STAFF

Job Class. Series	Grade & Step	Ret. Plan	Job Title	Annual Salary	Employer-Paid Benefits	Total Cost
PRODUCTION STAFF						
Staff Eligible for Full Retirement and Separation Incentive:						
301	11–10	CSRS	Sr. Production/Administrative Coordinator	$69,614	$13,414	$83,028
301	11–10	CSRS	Sr. Production/Administrative Coordinator	$69,614	$9,189	$78,802
301	11–10	CSRS	Sr. Production/Administrative Coordinator	$69,614	$5,882	$75,496
344	8–10	FERS	Sr. Production Assistant	$52,082	$15,917	$67,999
344	8–10	FERS	Sr. Production Assistant	$52,082	$12,529	$64,612
344	8–10	CSRS	Sr. Production Assistant	$52,082	$12,296	$64,379
344	8–10	CSRS	Sr. Production Assistant	$52,082	$12,112	$64,195
344	8–10	CSRS	Sr. Production Assistant	$52,082	$12,040	$64,123
303	8–10	FERS	Sr. Sp. Adm. Support Assistant	$52,082	$10,194	$62,276
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,980	$60,062
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,872	$59,954
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,673	$59,756
303	8–10	CSRS	Sr. Sp. Adm. Support Assistant	$52,082	$7,603	$59,685
344	8–10	CSRS	Sr. Production Assistant	$52,082	$4,509	$56,591
1411	6–10	CSRS	Library Technician	$42,326	$7,135	$49,461
Staff Eligible for Early Retirement and Separation Incentive:						
301	11–10	CSRS	Sr. Production/Administrative Coordinator	$69,614	$13,556	$83,169
344	8–10	FERS	Sr. Production Assistant	$52,082	$15,917	$67,999
344	8–10	CSRS	Sr. Production Assistant	$52,082	$12,343	$64,426
344	8–10	CSRS	Sr. Production Assistant	$52,082	$12,040	$64,123
344	8–10	CSRS	Sr. Production Assistant	$52,082	$11,929	$64,011
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,874	$59,956
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,738	$59,820
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,673	$59,756
344	8–10	CSRS	Sr. Production Assistant	$52,082	$7,565	$59,648
344	8–9	CSRS	Sr. Production Assistant	$50,762	$7,864	$58,626
303	8–10	CSRS	Sr. Special Adm. Support Assistant	$52,082	$4,509	$56,591
Staff Eligible for Separation Incentive Only:						
301	11–10	FERS	Sr. Production/Administrative Coordinator	$69,614	$24,119	$93,733
301	11–10	FERS	Sr. Production/Administrative Coordinator	$69,614	$16,744	$86,358
344	7–6	FERS	Sr. Production Assistant	$58,361	$16,141	$74,501
301	11–8	CSRS	Sr. Production/Administrative Coordinator	$57,387	$12,668	$70,054

APPENDIX C: SALARY, COMPENSATION, AND RETIREMENT ELIGIBILITY FOR THE AFFECTED STAFF—Continued

Job Class. Series	Grade & Step	Ret. Plan	Job Title	Annual Salary	Employer-Paid Benefits	Total Cost
344	8–9	FERS	Sr. Production Assistant	$50,762	$19,174	$69,936
344	8–8	FERS	Sr. Production Assistant	$49,420	$18,618	$68,038
344	8–10	FERS	Sr. Production Assistant	$52,082	$13,848	$65,930
344	8–8	CSRS	Sr. Production Assistant	$49,420	$15,014	$64,434
1411	5–9	FERS	Reference Assistant	$37,001	$11,782	$48,783
1411	5–9	FERS	Reference Clerk	$37,001	$11,484	$48,485
304	4–5	FERS	Receptionist	$29,588	$5,553	$35,141
Staff Not Eligible for Retirement or Separation Incentive:						
304	4–1	FERS	Receptionist	$26,989	$8,750	$35,740
Total Cost						$2,429,674
TECHNICAL SUPPORT						
Staff Eligible for Full Retirement and Separation Incentive:						
2210	12–7	CSRS	Sr. Technical Support Assistant	$77,027	$14,344	$91,370
Staff Eligible for Early Retirement and Separation Incentive:						
2210	12–8	CSRS	Sr. Technical Support Assistant	$81,769	$19,282	$101,051
2210	12–7	CSRS	Sr. Technical Support Assistant	$77,027	$14,404	$91,431
2210	12–7	CSRS	Sr. Technical Support Assistant	$77,027	$9,866	$86,893
Staff Eligible for Separation Incentive Only:						
2210	12–10	FERS	Sr. Technical Support Asst	$83,438	$23,220	$106,658
2210	12–7	FERS	Sr. Technical Support Asst	$79,157	$26,739	$105,896
2210	12–7	FERS	Sr. Technical Support Asst	$77,027	$21,662	$98,688
2210	12–5	FERS	Sr. Technical Support Asst	$72,745	$24,425	$97,170
2210	12–5	FERS	Sr. Technical Support Asst	$74,875	$20,292	$95,167
2210	12–4	FERS	Sr. Technical Support Asst	$70,594	$24,506	$95,099
2210	12–4	FERS	Sr. Technical Support Asst	$70,594	$24,211	$94,805
2210	12–6	CSRS	Sr. Technical Support Asst	$74,875	$18,496	$93,371
2210	12–3	FERS	Sr. Technical Support Asst	$68,463	$24,090	$92,554
2210	12–4	FERS	Sr. Technical Support Asst	$70,594	$20,079	$90,673
2210	12–8	CSRS	Sr. Technical Support Asst	$79,157	$10,050	$89,207
2210	12–2	FERS	Sr. Technical Support Asst	$66,333	$22,736	$89,069
2210	12–2	FERS	Sr. Technical Support Asst	$66,333	$22,666	$88,999

2210	12–4	FERS	Sr. Technical Support Asst	$46,107	$16,289	$62,395
Total Cost						$1,670,496
AUDIO/VISUAL STAFF						
All Audio/Visual Staff Are Eligible for Early Retirement: These staff are in the 1071 job classification series. To honor the privacy of the three individual staff members in this job series, CRS has not provided individual salary and cost data						
Total Cost						$330,793
Total CRS Costs for 59 Affected Staff						$4,430,962

APPENDIX D: DIVERSITY COMPOSITION OF THE AFFECTED STAFF

[Breakdown of CRS Staff by Gender and Race Categories As of September 15, 2005]

Category	Total CRS Perm/ Indef Workforce		Affected Staff by Category							
			Production Support		Technical Support Assistants		Audio-Visual		Total Affected Staff	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Female	357	51.4	33	86.8	7	38.9			40	67.8
Male	337	48.6	5	13.2	11	61.1	3	100.0	19	32.2
Total	694	100.0	38	100.0	18	100.0	3	100.0	59	100.0
Minority Composition	224	32.3	30	78.9	11	61.1			41	69.5
Nat.Am/Alaskan	5	0.7								
Asian American	31	4.5	1	2.6					1	1.7
African-American	171	24.6	28	73.7	10	55.6			38	64.4
Hispanic	17	2.4	1	2.6	1	5.6			2	3.4
Non-Minority	470	67.7	8	21.1	7	38.9	3	100.0	18	30.5
Total	694	100.0	38	100.0	18	100.0	3	100.0	59	100.0

APPENDIX E: TRANSITION RESOURCES PROVIDED TO AFFECTED STAFF

CRS is providing the following transition resources to affected staff:

—an opportunity to participate in the Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payment (VSIP) programs. Deadline for applying is December 2, 2005. Staff have from December 19, 2005 through January 3, 2006 to separate from the Library under these programs. As of Tuesday, November 1, 2005, 20 affected staff have applied for these programs;

—a special briefing on the VERA/VSIP process restricted to eligible CRS staff, in coordination with the Library's Office of Human Resources Services;

—a two-day retirement seminar exclusively for these staff and their spouses. The seminar was held on October 26 and 27. Twenty-three affected staff members registered to attend, eighteen attended;

—special individual retirement counseling, in coordination with the Library's Office of Human Resources Services;

—special training sessions on how to apply for positions using the Library's automated hiring system. The Library's Office of Human Resources conducted sessions on October 12 and 13. Individual sessions were arranged for those who were unable to attend either of the earlier sessions;

—a career services web page where staff can access career-related information and links to numerous websites including job search engines, resume writing and interview guides, job fair announcements, training opportunities, and more;

—services of a career counselor who will be available one day a week through September of 2006 to meet individually with staff and to present a career workshop once a month. The career counselor is expected to be available early November 2005;

—a briefing on October 13, 2005 by a Reduction in Force (RIF) expert who has been used frequently by the Library of Congress for other RIFs to provide an overview of RIF procedures and to answer questions, to include any follow-up questions by phone and email;

—briefings on September 28, 2005 for all affected staff to review these transition resources, and to give staff an opportunity to ask questions; and

—continuous communications from the Associate Director for Workforce Development by e-mail to inform when positions they may be interested in opened, and other upcoming activities to include career fairs, reminders of registration deadlines, and to remind them that they may continue to submit any questions that they have during the transition.

Question. In your testimony you state that extensive consultation took place before you decided to eliminate production support, computer technical support, and audio-visual functions. With whom did you consult? Was CRS staff in any way involved before you made your decision?

Answer. Before the final decision was made, in addition to multiple meetings with the Service's senior managers, CRS solicited input through a variety of venues including forums, one-on-one conversations, e-mail exchanges. CRS also held follow-up discussions with potentially affected staff as well as staff who use their services, including a sample of analysts, attorneys, and section heads (first-line supervisors).

Question. Were the affected staffs given an opportunity to receive training that may have given them an opportunity to keep their job or to apply for other positions within CRS?

Answer. The skills required for the Service's new technical positions are quite different from those required for the older production support and technical positions that will be abolished. The specialized expertise required for these new positions cannot be acquired or developed through some selected training courses.

In addition to traditional production support, the incumbents of the two older production support positions performed some administrative tasks as well. One of the current production support positions is supervisory/managerial at the GS–11 grade level; and, the other is non-supervisory at the GS–8 grade level.

When CRS defined the new work tasks and developed the associated position descriptions, all of the administrative tasks were consolidated into two new positions, one is supervisory at the GS–11 grade level and the other was classified by the Library of Congress Human Resources Services as a GS–7, one grade level lower than the GS–8 production position. Both of the new administrative positions will have fewer incumbents (ten total) than the number of incumbents of the current production positions (33 total). So far, three of the affected staff were competitively selected for these ten new administrative positions. A fourth individual from the affected staff was also selected but declined the offer and chose instead to retire.

CRS affected staff continue to receive training for the work that they perform in their current positions. However, selecting particular individuals for specific training to improve their credentials for a new job could be seen as running counter to merit-selection principles inherent in OPM regulations implementing the Government Employee Training Act. Information provided in the following questions addresses the issues of training staff for future positions.

Question. What actions have you taken to work with the rest of the Library to find positions for the remaining 31 staff?

Answer. CRS and the Library will begin the process of seeking placements for the remaining staff in June. The data and conditions for placing the remaining staff are dictated by law, regulation, and the CRS collective bargaining agreement, which govern when a reduction-in-force is established.

When the staffing changes were announced last September, it was the Director's hope that by providing a 12-month notice, separation incentives, voluntary early retirement opportunities, and transition services that all 59 individuals would vacate the positions before September 30, 2006. At this time, 29 of the 59 affected staff have retired, resigned, or secured other positions. In the meantime, CRS continues to provide a variety of career counseling services to affected staff and to provide weekly notices of CRS and Library posted positions that may be of interest to them.

Question. How closely have you worked with the new Center for Learning and Development in the Library to assist affected staff in training for current and future positions in the Library?

Answer. Staff from the CRS Office of Workforce Development worked closely with the Library's Center for Learning and Development in identifying 600 online courses that would provide a broad array of training for Library staff as it pertains to their current positions. The availability of courses has been communicated to all CRS staff and a number of CRS staff members, including the affected staff, have taken online courses.

The On-line Learning Center has been a topic of discussion at the weekly CRS Research Policy Council meetings of senior managers who are advised to encourage staff to enroll in the online training. As a result, a number of affected staff have taken advantage of these training opportunities. In addition, the Career Services Web Page that was established specifically for affected staff includes a link to the Online Learning Center.

Providing training for future positions becomes more complex. The Government Employee Training Act (GETA) permits training "which will improve individual and organizational performance and assist in achieving the agency's mission and performance goals." [5 USC4101(4)] OPM implementing regulations provide that "mission-related training" includes training that improves an employee's current job performance and training that "[a]llows for expansion or enhancement of an employee's current job [or e]nables an employee to perform needed or potentially needed duties outside the current job at the same level of responsibility." [5 CFR 410.101 (d)]

Retraining "to address an individual's skills obsolescence in the current position and/or training and development to prepare an individual for a different occupation, in the same agency, in another government agency, or in the private sector" is also permitted under OPM regulations. [5 CFR 410.101(e)] The selection of employees for training opportunities, however, must follow merit system principles. [5 CFR 410.302 (a)(1)] Each agency must establish criteria for the "fair and equitable selection and assignment of employees to training consistent with merit system principles." [5 CFR 410.306(a)]

Merit system principles are particularly applicable to training designed to prepare employees for advancement. Thus, OPM's Training Policy Handbook provides that "[a]gencies' training programs must consider all employees fairly" and that "[a]gency merit promotion procedures must be followed in selecting employees for training that is primarily to prepare trainees for advancement and that is not directly related to improving performance in their current positions."

Selecting particular employees to be accorded specific training designed to improve their advancement possibilities or to qualify them for other positions could be seen to run counter to merit selection principles. The Library and CRS have developed a merit selection process for filling positions, and CRS also applies competitive procedures to its longer term details within the agency and to designating section heads. The GETA and implementing regulations would also seem to dictate that similar principles be applied in the provision of training.

The focus of all training opportunities provided to staff complies with the Service's obligation to enhance staff skills for the positions currently held, rather than to provide training for possible future positions that could be seen as running counter to merit-selection principles inherent in OPM regulations implementing the GETA.

Question. It is my understanding that of the 59 staff being eliminated, nearly 70 percent are minorities. What are your plans to address the major loss of minority employees in CRS?

Answer. CRS is dedicated to maintaining a diverse workforce. When CRS announced its plan to eliminate three functions, the diversity profile of the Service was 32.3 percent minority. If all of the affected staff would have left and no new hires added, the CRS workforce would have been reduced to 635 and the racial and ethnic profile of that reduced staff would have reflected a minority population of 28.8 percent. The proportion of Asian Americans would have increased from 4.5 percent to 4.7 percent; Native Americans would have increased from .7 percent to .8 percent; Hispanics would have remained the same at 2.4 percent; and the proportion of African Americans would have decreased from 24.6 percent to 20.9 percent.

Instead, as of February 28, 2006, after the retirement of 23 affected staff, attrition unrelated to the workforce re-engineering, and the hiring of new staff in accordance with the CRS hiring plan, 31.1 percent of CRS' total permanent/indefinite workforce of 685 is minority; .7 percent Native American, 4.7 percent Asian American, 23.1 percent African American, and 2.6 percent Hispanic.

CRS has filled four (4) of the new positions (with 12 incumbents). Of the twelve incumbents hired, nine (75 percent) are minorities, and all of whom are African American females.

CRS will continue to use national recruitment and hiring programs and sources to attract minority applicants to CRS. These programs include targeting universities and public policy schools with high minority enrollments to serve as recruitment sources for entry-level professional positions, and forging special connections with minority-serving organizations such as Historically Black Colleges and Universities, the United Negro College Fund, the Congressional Black Caucus, the Congressional Hispanic Caucus, and others. In addition, CRS continues to use programs such as the CRS Law Recruit Program, the Student Diversity Internship Program, the Hispanic Association of Colleges and Universities National Internship Program, and the Federal Presidential Management Fellowship Program to recruit minorities for CRS positions.

SUBCOMMITTEE RECESS

Senator ALLARD. The subcommittee stands in recess and we will meet next on March 15 at 10:30 a.m., when we will take testimony from the Secretary of the Senate and Architect of the Capitol on their fiscal year 2007 budget requests. In addition, we will hear from witnesses regarding progress of the Capitol Visitor Center as part of the monthly oversight of that particular project.

I thank the participants today for sharing their views with us.

[Whereupon, at 11:45 a.m., Wednesday, March 1, the subcommittee was recessed, to reconvene at 10:30 a.m., Wednesday, March 15.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, MARCH 15, 2006

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10 a.m., in room SD–138, Dirksen Senate Office Building, Hon. Wayne Allard (chairman) presiding.

Present: Senators Allard and Durbin.

U.S. SENATE

OFFICE OF THE SECRETARY

STATEMENT OF EMILY REYNOLDS, SECRETARY OF THE SENATE

ACCOMPANIED BY:

MARY SUIT JONES, ASSISTANT SECRETARY OF THE SENATE
CHRIS DOBY, FINANCIAL CLERK

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. The subcommittee will come to order. Good morning everybody. We meet today to take testimony on the fiscal year 2007 budget request for the Secretary of the Senate and the Architect of the Capitol, and review progress of the Capitol Visitor Center (CVC) construction. The legislative branch budget request totals roughly $4.2 billion, an increase of $460 million or 12 percent over the current year.

While most agencies in the President's budget would be frozen at current levels, a number of the agencies before this subcommittee have proposed very substantial increases and we will need to scrutinize these requests very carefully. We will have three separate panels today. Secretary Emily Reynolds will testify first, she's accompanied by Assistant Secretary of the Senate Mary Suit Jones, and the new Financial Clerk of the Senate Chris Doby.

Our second panel will be the Architect of the Capitol, Alan Hantman, and our third panel to discuss progress of the Capitol Visitor Center construction will include Mr. Hantman, CVC Project Executive Bob Hixon, and GAO representatives Bernie Ungar and Terrell Dorn.

I extend a welcome to our witnesses this morning. Ms. Reynolds, your office is requesting a budget of about $24 million, an increase of roughly $1 million, or just above 5 percent over fiscal year 2006. This budget would support the 26 departments that are part of the Office of the Secretary and would accommodate cost of living and

merit increases. And we'll now proceed to the first panel. Welcome Ms. Reynolds. You may proceed with your testimony. It's good to see you.

Ms. REYNOLDS. Thank you Mr. Chairman, it's an honor to be with you. We're, of course, very grateful for your leadership as our subcommittee chairman, and we appreciate this opportunity to talk about the work of the Secretary's office. I'd like to ask that my full statement, which, of course, includes our complete department reports, be submitted for the record.

Today I would just like to give you a brief overview of the Secretary's operation and most importantly that budget request for fiscal year 2007 that you mentioned. As you said, we've requested about $24 million; $22 million of that is in salary cost and $1.9 million for operating expenses. That slight increase as you've referenced is in cost of living allowance (COLA) and merit increases so that we can continue to attract and retain the talent that the Senate requires and deserves for the critical day to day operations that we provide.

And I'd like to take a couple of minutes today and just highlight some of the work of the past year, since we were all last together at this hearing. There are three key words that come to mind in reflecting on the Secretary's operation. And those are continuity, creativity and collaboration. That's how our office functions and I want to mention in particular in terms of continuity, because in so many respects we are the institutional memory of the Senate. We take very seriously the responsibility of passing that knowledge along from generation to generation, incoming class to incoming class, office to office. Our legislative department, the great folks that you see on the floor of the Senate each and every day, continue to cross train among their various specialties, and about half of that staff is cross trained.

We're also blessed in that a large number of people come to serve the Senate for an extended period of time, but it makes it all the more important when you begin to lose that institutional memory in retirements that we try to anticipate those changes and work toward an appropriate line of succession. And at all times, we strive to attract and retain the best talent possible. Individuals for whom coming to the Senate to serve this body as their career is a high priority.

And, of course, on a much broader scale, it's our responsibility to prepare daily so that you and your colleagues can carry out your constitutional responsibilities under any circumstance. So for us that continuity has both a daily impact and a much broader view as well.

I mention creativity as well and I hope that we bring a certain level of creativity in each of our 26 departments. And I'd like to just highlight five things today that we're doing.

A perfect example of that creativity is the Senate's website. And our new home page in particular which we're very proud to have the chance to show off and talk about a little bit. All of our lives have been changed dramatically by the worldwide web, and the Senate is no exception. Senate.gov now celebrates a decade of service to the Senate community and the general public and received an astonishing 50 million visits last year. That's five times as many

as just 5 years ago, so remarkable growth in terms of the public's access to senate.gov. And with that, thanks to the support of this subcommittee we unveiled a handsome new home page in January. There's more content on the front page, the site also provides site wide searches from every page, and, of course, most importantly those direct links to the Members' home pages.

I'm really delighted that U.S. News took note of the new homepage, and described it as a rich new website and one that's much easier to research. I also mentioned to you when we were here last year, that our historical office had underway a project of a pictorial directory, with the images of all Senators who have served since 1789, by State and by class. That book "Faces of the Senate" was completed in November and it really is a treasure. It was a monumental effort on the part of our Senate photo historian. And it was interesting in that as she reached out to historical societies, museums and other organizations in trying to locate as many images as possible, the project attracted the attention of a National Guardsman from Vermont who was stationed in Iraq. He was working on a historical project for his unit, and he e-mailed our photo historian saying I don't have a lot of time to assist, but with my own project I'm finding resources out there I never knew existed. And amazingly enough, he helped us locate six images of former Members for whom we had no previous record.

The gift shop I want to mention, a tremendous presence here in the Senate. And we've enhanced the gift shop operation by adding an online presence to our intranet Webster so that our Senate community can more easily see the vast array of products that we have available.

I'm also proud that in this bicentennial year of Constantino Brumidi's birth, the artist of the Capitol, we've added a product line with Brumidi featured merchandise so that our merchandise reflects the rich history of the Capitol and hopefully for people it has some educational value as well.

You may also recall, that 2 years ago we completed the publication of the Senate's fine arts catalogue. A beautiful volume, the companion volume, a catalogue of our graphics art collection will be available later this year. And just like the fine arts publication, it will be a magnificent presentation of the 900 historic engravings and lithographs in the Senate collection.

I had the opportunity to speak last week with a member of our curatorial advisory board, and she said that she believed that this publication will be very well received in the arts community, the academic community, as a first ever glance if you will at this tremendous collection of the Senate's and it's an excellent research tool. So we'll have that to you later this year. I'm excited about it.

In the Senate reception room, thanks to the leadership of Senator Dodd, we will add an important representation from the 18th century. And that's the addition of a mural that will commemorate the two authors of the Great or Connecticut Compromise. That mural will depict the authors of that compromise, Roger Sherman, and Oliver Ellsworth and will be unveiled later this year.

And finally in terms of collaboration, so much of what we do each and every day is dependent on a team approach, among our departments working with the Architect of the Capitol, working with

members of the Senate community and especially with our Sergeant at Arms. And once again I'd love to give three quick examples. I want to publicly thank and commend the Sergeant at Arms, and this subcommittee without whose support the project would not have been possible for the completion of the new Senate support facility. From our gift shop, stationery, the curator, library, our disbursing operation, having that state-of-the-art storage space will make a difference each and every day in terms of the level of support we provide our Senate community. The facility is a welcome addition and should serve our needs for years to come.

One of the most important services that you and your colleagues offer the folks at home is providing flags that are flown over the Capitol, and we have an exciting pilot project underway with 26 offices and I believe your office is one, to streamline that process of the purchase of pre-flown flags. It's become cumbersome at times, and again thanks to this pilot, we should have real success and report back to you on that along the way.

And finally our legislative information system, another project generously funded by this subcommittee, we've made tremendous progress again this year. Again a team effort between our LIS Office and most especially the Senate Legislative Counsel. Already this year, over 95 percent of the bills introduced in this session of the 109th Congress have been written and formatted through the XML authoring application known as LEXA. So we're very proud of that milestone.

I often marvel that the first Secretary of the Senate carried out his responsibilities alone, in the first years of the Senate's existence. By the time he died in office in 1814, he had convinced his appropriators to allow him to hire two clerks. As much as things have changed and as our responsibilities have grown through the years, the three fundamental responsibilities of our office, to provide the legislative, financial, and administrative support to this institution remain at the heart of what we do, each and every day. It's our duty and our honor to carry out these functions for the Senate.

PREPARED STATEMENT

On behalf of our entire team, we thank this subcommittee Mr. Chairman, for your support and I look forward to questions. Thank you.

[The statement follows:]

PREPARED STATEMENT OF EMILY J. REYNOLDS

Mr. Chairman, Senator Durbin, and Members of the Subcommittee, thank you for your invitation to present testimony in support of the budget request of the Office of the Secretary of the Senate for fiscal year 2007.

Detailed information about the work of the 26 departments of the Office of the Secretary is provided in the annual reports which follow. I am pleased to provide this statement to highlight the achievements of the Office and the outstanding work of our dedicated employees.

My statement includes: Presenting the fiscal year 2007 budget request; implementing mandated systems: financial management information system (FMIS) and legislative information system (LIS); Capitol Visitor Center; continuity of operations planning; and maintaining and improving current and historic legislative, financial and administrative services.

PRESENTING THE FISCAL YEAR 2007 BUDGET REQUEST

I am requesting a total fiscal year 2007 budget of $24,066,000. The fiscal year 2007 budget request is comprised of $22,166,000 in salary costs and $1,900,000 for the operating budget of the Office of the Secretary. The salary budget represents an increase over the fiscal year 2006 budget as a result of (1) the costs associated with the annual Cost of Living Adjustment in the amount of $654,000 and (2) an additional $646,000 for merit increases and other staffing. The operating budget represents a decrease of $80,000 from fiscal year 2006. The funding for the study on employment compensation, hiring and benefits practices, included in last year's funding, is a non-reoccurring expense.

The net effect of my total budget request for fiscal year 2007 is an increase of $1,220,000.

Our request in the operating budget is a sound one, enabling us to meet our operating needs and provide the necessary services to the United State Senate through our legislative, financial and administrative offices.

In reference to the salary budget, first and foremost, this request will enable us to continue to attract and retain talented and dedicated individuals to serve the needs of the United States Senate.

OFFICE OF THE SECRETARY APPORTIONMENT SCHEDULE

Item	Amount available fiscal year 2006, Public Law 109–55	Budget estimate fiscal year 2007	Difference
Departmental operating budget:			
Executive office	$630,000	$550,000	−80,000
Administrative services	1,290,000	1,290,000	.....
Legislative services	60,000	60,000	.....
Total operating budget	1,980,000	1,900,000	−80,000

IMPLEMENTING MANDATED SYSTEMS

Two systems critical to our operation are mandated by law, and I would like to spend a few moments on each to highlight recent progress, and to thank the committee for your ongoing support of both.

Financial Management Information System (FMIS)

The Financial Management Information System, or FMIS, is used by approximately 140 offices. Consistent with the five year strategic plan, the Disbursing Office continues to modernize processes and applications to meet the continued demand by Senate offices for efficiency, accountability and ease of use. The goal is to move to a paperless voucher system, improve the Web FMIS system, and make payroll and accounting system improvements.

Over the last two years work has been underway to update and simplify the underlying technology of Web FMIS, basically replacing all Visual Basic Client/Server and Cold Fusion Web technology with WebSphere web pages thereby creating a "thin client" application that can be accessed via an intranet browser. In August 2004 Web FMIS r9.0 for pilot offices, which was a complete rewriting of the Web FMIS functionality using all intranet based pages, was implemented. By the end of April, all Web FMIS users were using the intranet version of Web FMIS.

During fiscal year 2005 and the first half of fiscal year 2006, improvements to Web FMIS were as follows:

—In the November 2004 release, additional functionality identified by the pilot offices was addressed. This new release was provided to new offices of the 109th Congress. In the February 2005 release, a security certificate was added to the Web FMIS web site (i.e., adding the "S" to https://webfmis.senate.gov) and changed the extracts for the nightly Web FMIS reporting cycle to use table-driven parameters rather than hard-coded ones. In April 2005, report and document printing was provided via Adobe, standard Senate software, rather than Web FMIS-specific files. This completed moving Web FMIS to the "zero-client" platform, an important milestone in providing critical systems in a disaster situation. With this change, the Rules Committee Audit staff moved from client-server based screens to intranet-based pages for their functions, Disbursing staff began to use "standard notepad text" in documenting corrections made to vouchers. In July 2005, the focus was on additional functionality for Disbursing, in-

cluding new pages for the Inbox and Document Review functions, enhancements to the Advice of Change process and streamlining the document approval process. Technology was updated and provided more functionality on the Inbox pages and the travel reimbursement mileage rate maintenance page. Additional functionality was added to the Documents/Create page and the Budget page, and bugs were fixed.

—In May 2005, the SAVI system was upgraded, which enables Senate staff to check the status of reimbursements, whether via check or direct deposit, to enable its use by Macintosh computer users.

—The Disbursing Office makes payments via direct deposit and via check using the Checkwriter software. In 2006, Checkwriter release 6, which rewrites the security component, will be tested with implementation tentatively scheduled for summer 2006.

—On Saturday, December 3, 2005, the Sergeant at Arms technical staff conducted a disaster recovery test of the Senate's computing facilities, including the financial management information system (FMIS) functions. The test involved switching the Senate's network from accessing systems at the Primary Computing Facility (PCF) to the backup facility, and powering down the PCF.

The SAA's primary purpose was to test the technical process of switching to our backup facility, and only a limited amount of time was available for functional testing. The SAA staff wanted to complete the exercise within a 12-hour window, including the time needed to switch us to the backup facility and back to the PCF. A two-hour functional testing window was expected. In the scenario, FMIS systems and data would be "failed-over" to the backup facility, and made available for testing during the functional testing window. The systems would then be "failed back" to the PCF, but the data would not be "failed back". Consequently, any changes made while testing at the backup facility would not be made to production data.

Within the limited scope of what we were able to test, most of the critical components of FMIS were successfully tested. A request has been made to the SAA that disaster recovery tests be conducted twice a year and that additional system components be tested at each successive event.

—The computing infrastructure for FMIS is provided by the Sergeant at Arms. Each year upgrades are made to the infrastructure software. The major upgrade this year was the implementation of a new version of the mainframe operating system software, "Z/OS." This upgrade required FMIS testing, both before implementation to identify and resolve any incompatibilities, and after implementation to verify that all functions are working properly.

During 2005 work continued with Bearing Point to define the requirements for additional functionality required for the two Web FMIS releases planned for 2006:

—*Web FMIS r11 B.*—Planned for Summer 2006, this release will add the ability to "import" invoice data from an outside vendor in order to create a voucher with minimal re-typing. (This process is similar to the "import" process by which data from an online ESR, created via SAVI, is used to create a travel voucher).

—*Web FMIS r12 B.*—Planned for late Fall 2006, this release will be a pilot of paperless voucher processing, which requires adding electronic signature and documentation imaging functionality.

In addition, during fiscal year 2006 the following FMIS activities are anticipated:

—Developing requirements for integrating the Funds Advance Tracking System (FATS) into FMIS. FATS, a stand-alone PC-based system, tracks election cycle information used in the voucher review process, and tracks travel advances and petty cash advances against dollar maximum and total allocation rules.

—Implementing DB2 vs. 8 in compatibility mode.

—Researching the implementation of online distribution of system reports.

—Completing fiscal year 2004 Financial Statements in Hyperion and start working on fiscal year 2005.

—Performing some minor enhancements to the FAMIS vendor file.

A more detailed report on FMIS is included in the department report of the Disbursing Office which follows.

Legislative Information System (LIS)

The LISAP project team continues to enhance the Senate's legislative editing XML application (LEXA). The Office of the Senate Legislative Counsel (SLC) used LEXA throughout 2005 and 80 percent of introduced and reported measures for the first session of the 109th Congress were created as XML documents. As modifications and features were developed for LEXA, the SLC's use continues to increase. Thus far in the second session of the 109th Congress, approximately 96 percent of

the introduced and reported bills have been created as XML documents. Additional document types, such as conference reports and engrossed and enrolled bills, were added to LEXA.

The LISAP project team continues to work with the Senate offices, the Clerk of the House, the Government Printing Office and the Library of Congress to develop standards and tools to create, print and exchange legislative documents in XML. The Government Printing Office (GPO) uses LEXA to update and print Senate XML documents as requested. GPO also provides support for LEXA, as directed in the 2004 Legislative Branch Appropriations Act, by maintaining the printing software in LEXA that converts an XML document to locators for printing through Microcomp. GPO is also in the process of reworking the software that creates and prints tables. These tools will be incorporated into both the Senate and House XML authoring applications.

A joint project to convert the compilations of current law to an XML format was completed last year. Joint projects for this year include completion of the new table tool and development of standards for drafting appropriations amendments in XML. The Document Management System (DMS) for the SLC will be implemented once the SLC has completed the transition from XyWrite to LEXA. The SLC's DMS will be integrated with LEXA and will provide a powerful tracking, management and delivery tool.

CAPITOL VISITOR CENTER

While the Architect of the Capitol directly oversees this massive and impressive project, I would like to briefly mention the ongoing involvement of the Secretary's office in this endeavor. My colleague, the Clerk of the House, and I continue to facilitate weekly meetings with senior staff of the joint leadership of Congress to address and hopefully quickly resolve issues that might impact the status of the project or the operation of Congress in general.

In addition, I also facilitate weekly meetings with the Architect's office for the senior staff of the Senate Sergeant at Arms, Capitol Police, Rules Committee and Appropriations Committee in order to address the expansion space plans for the Senate and any issues with regard to the Capitol Visitor Center's (CVC's) construction that may directly impact Senate operations.

Although the construction creates numerous temporary inconveniences to Senators, staff and visitors, completion of the CVC will bring substantial improvements in enhanced security and visitor amenities, and its educational benefits for our visitors will be tremendous.

CONTINUITY OF OPERATIONS AND EMERGENCY PREPAREDNESS PLANNING

The Office of the Secretary maintains a Continuity of Operations (COOP) program to ensure that the Senate can fulfill its constitutional obligations under any circumstances. Plans are in place to support Senate floor operations both on and off Capitol Hill, and to permit each department within the Office of the Secretary to perform its essential functions during and after an emergency.

COOP planning in the Office of the Secretary began in late 2000. Since that time, COOP plans were successfully implemented during the anthrax and ricin incidents, and more than twenty drills and exercises to test and refine our plans have been conducted. In conjunction with the Sergeant at Arms, Capitol Police, the Office of the Attending Physician and the Architect of the Capitol, Emergency Operations Centers, Briefing Centers and Alternate Senate Chambers, have been exercised both on and off campus.

In addition, equipment, supplies and other items critical to the conduct of essential functions have been identified and assembled as "fly-away kits" for the Senate Chamber and for each department of the Office of the Secretary. Multiple copies of each fly-away kit have been produced; some are stored in our offices, and back-up kits are stored nearby but off the main campus, as well as at other sites outside the District of Columbia. This approach will enable the Office of the Secretary to resume essential operations within 12 to 24 hours, even if there is no opportunity to retrieve anything from our offices.

Today, the Office of the Secretary is prepared to do the following in the event of emergency:

—support Senate Floor operations in an Alternate Senate Chamber within 12 hours on campus, and within 24 to 72 hours off campus, depending upon location;

—support an emergency legislative session at a Briefing Center, if required;

—support Briefing Center Operations at any of three designated locations within 1 hour;

—activate an Emergency Operations Center at Postal Square or another near-campus site within 1 hour; and
—activate an Emergency Operations Center at another site within the National Capital region within 3 hours.

Activities in the Past Year

During the past year, the Office of the Secretary continued to update, refine and exercise emergency preparedness plans and operations. Specific activities included the following:
—Updated plans for use of an Alternate Senate Chamber, Briefing Center and Emergency Operations Center;
—Working with the Capitol Police and the Office of the Sergeant at Arms, refined response plans for air threat incidents;
—Updated fly-away kits for use at an Alternate Chamber; and
—Conducted and participated in ten emergency preparedness drills and exercises.

The central mission of the Office of the Secretary is to provide the legislative, financial and administrative support required for the conduct of Senate business. Our emergency preparedness programs are designed to ensure that the Senate can carry out its Constitutional functions under any circumstances. These programs are critical to our mission, and they are a permanent, integral part of the Secretary's ongoing operation.

MAINTAINING AND IMPROVING CURRENT AND HISTORIC LEGISLATIVE, FINANCIAL AND ADMINISTRATIVE SERVICES

LEGISLATIVE OFFICES

The Legislative Department of the Office of the Secretary of the Senate provides the support essential to Senators to carry out their daily chamber activities as well as the constitutional responsibilities of the Senate. The department consists of eight offices—the Bill Clerk, Captioning Services, Daily Digest, Enrolling Clerk, Executive Clerk, Journal Clerk, Legislative Clerk, and the Official Reporters of Debates, which are supervised by the Secretary through the Legislative Clerk. The Parliamentarian's office is also part of the Legislative Department of the Secretary of the Senate.

Each of the nine offices within the Legislative Department is supervised by experienced veterans of the Secretary's office. The average length of service of legislative supervisors in the Office of the Secretary of the Senate is 20 years. The experience of this senior professional staff is a great asset for the Senate. In order to ensure well-rounded expertise, the legislative team cross-trains extensively among their specialties.

1. BILL CLERK

The Office of the Bill Clerk collects and records data on the legislative activity of the Senate, which becomes the historical record of official Senate business. The Bill Clerk's Office keeps this information in its handwritten files and ledgers and also enters it into the Senate's automated retrieval system so that it is available to all House and Senate offices via the Legislative Information System (LIS). The Bill Clerk records actions of the Senate with regard to bills, resolutions, reports, amendments, co-sponsors, public law numbers, and recorded votes. The Bill Clerk is responsible for preparing for print all measures introduced, received, submitted, and reported in the Senate. The Bill Clerk also assigns numbers to all Senate bills and resolutions. All the information received in this office comes directly from the Senate floor in written form. The Bill Clerk's office is generally regarded as the most timely and most accurate source of legislative information.

Legislative Activity

The Bill Clerk's office processed into the database more than 2,000 additional legislative items and 150 additional roll call votes than the previous session. For comparative purposes, below is a summary of the 108th Congress, broken down into 1st and 2nd sessions, as compared to the first session of the 109th Congress:

	108th Congress, 1st Session	109th Congress, 1st Session	108th Congress, 2nd Session	109th Congress, 1st Session
Senate Bills	2,003	2,169	1,032	2,169
Senate Joint Resolutions	26	27	16	27
Senate Concurrent Resolutions	86	75	66	75
Senate Resolutions	283	347	204	347
Amendments Submitted	2,231	2,695	1,857	2,695

	108th Congress, 1st Session	109th Congress, 1st Session	108th Congress, 2nd Session	109th Congress, 1st Session
House Bills	282	286	322	286
House Joint Resolutions	20	11	12	11
House Concurrent Resolutions	78	88	87	88
Measures Reported	352	286	317	286
Written Reports	220	212	208	212
Total Legislation	5,571	6,196	4,121	6,196
Roll Call Votes	459	366	216	366

Assistance from the Government Printing Office (GPO)

The Bill Clerk's office maintains a good working relationship with the Government Printing Office with the common goal of providing the best service possible to meet the needs of the Senate. Toward this end, GPO continues to respond in a timely manner to the Secretary's request through the Bill Clerk's office for the printing of bills and reports, including the expedited printing of priority matters for the Senate chamber. For example, the Secretary requested, through the Bill Clerk, that GPO expedite the printing of roughly 60 measures for consideration by the Senate.

Projects

Amendment Tracking System (ATS).—In the fall of 2001, the Rules Committee staff approached the Secretary's office with the task of scanning submitted amendments onto the Amendment Tracking System on LIS. The Rules Committee identified a need for Senate staff to have all amendments submitted in the Senate made available to them online shortly after being submitted, especially during cloture. Rules Committee also requested that the Secretary assess the feasibility of lifting the page limitation for scanning amendments onto the ATS Indexer.

In September 2005, the Secretary of the Senate, through the Bill Clerk's office, began scanning submitted amendments to the ATS Indexer. The Technology Development division of the Sergeant at Arms office has been quick and responsive, making the ATS Indexer a dynamic, usable tool available to the Senate community. The Bill Clerks were able to implement this new requirement seamlessly. With the added function of the ATS Indexer, the Secretary has made available to the Senate community all amendments, submitted and proposed, and in doing so, lifted the page limit from 25 to 50. Initial response from users is both positive and constructive.

Electronic Ledger System.—Shortly after the September 2001 attacks and the subsequent anthrax attacks in the Capitol complex, the Bill Clerk identified the need to have available an electronic version of the official Senate ledgers in order to ensure the integrity of the information recorded in the books. It is anticipated that the electronic version will be available for use during possible emergency scenarios, either via remote access or portable device. The Technology Development division of the Sergeant-at-Arms is working to develop two separate functions of this ledger system. One is an electronic data entry system, which will mimic the layout of the current Senate ledgers printed by the Government Printing Office. The other, a search function, has already been developed and is currently in use in select clerical offices of the legislative staff and is routinely enhanced and modified by the excellent ELS project team at Postal Square. Both of these programs will be housed on a separate server to maintain the integrity of the ledger data. This search system offers an invaluable tool capable of utilizing more complex search requirements.

2. OFFICE OF CAPTIONING SERVICES

The Office of Captioning Services provides realtime captioning of Senate floor proceedings for the deaf and hard-of-hearing and unofficial electronic transcripts of Senate floor proceedings to Senate offices via the Senate intranet.

General Overview

Accuracy continues to be the top priority of this Office. Overall caption quality is monitored through daily Translation Data Reports, monitoring of captions in realtime, and review of caption files on the Senate intranet. Dedication to this process has produced an overall captioning accuracy average above 99 percent this past year.

A major event of 2005 for the Office of Captioning Services was realtime captioning the 55th Annual Presidential Inauguration. The Office's captions of the historic event appeared on six jumbotrons located on the West Front of the Capitol and the National Mall.

Continuity of operations planning and preparation during 2005 continued to be a priority to ensure staff is prepared and confident about the Office's ability to relocate and successfully caption from a remote location in the event of an emergency. Participation in a Continuity of Operations template review project with the Sergeant at Arms Continuity of Operations Program Manager provided an excellent opportunity for an in-depth review of the Office of Captioning Service's Plan.

Technology Update

The Office received a major upgrade of software and hardware in 2004 and thus continues to work with vendors to provide enhancements and correct deficiencies in the new realtime captioning software.

2006 Objectives

The Office of Captioning Services constantly strives to maintain and improve the high level of caption accuracy that has been established. The Office is committed to this goal and will strive to find new and innovative ways to accomplish this objective.

Another priority of the Office of Captioning Services will be to prepare and plan for the procurement and installation of equipment and relocation of the Office of Captioning Services to the Senate expansion space in the Capitol Visitor Center.

3. SENATE DAILY DIGEST

The Senate Daily Digest serves seven principal functions:

—To render a brief, concise and easy-to-read accounting of all official actions taken by the Senate in the Congressional Record section known as the Daily Digest.

—To compile an accounting of all meetings of Senate committees, subcommittees, joint committees and committees of conference.

—To enter all Senate and Joint committee scheduling data into the Senate's web-based scheduling application system. Committee scheduling information is also prepared for publication in the Daily Digest in three formats: Day-Ahead Schedule; Congressional Program for the Week Ahead; and the extended schedule which actually appears in the Extensions of Remarks section of the Congressional Record.

—To enter into the Senate's Legislative Information System all official actions taken by Senate committees on legislation, nominations, and treaties.

—To publish in the Daily Digest a listing of all legislation which have become public law.

—To publish on the first legislative day of each month in the Daily Digest a "Resume of Congressional Activity" which includes all Congressional statistical information, including days and time in session; measures introduced, reported and passed; and roll call votes. (See Resume of Congressional Activity which follows).

—To assist the House Daily Digest Editor in the preparation at the end of each session of Congress a history of public bills enacted into law and a final resume of congressional statistical activity.

Committee Activity

Senate committees held a total of 874 meetings during the first session of the 109th Congress, as contrasted with 838 meetings during the first session of the 108th Congress.

All hearings and business meetings (including joint meetings and conferences) are scheduled through the Office of the Senate Daily Digest and are published in the Congressional Record and entered in the Legislative Information System. Meeting outcomes are also published by the Daily Digest in the Congressional Record each day.

Chamber Activity

The Senate was in session a total of 159 days, for a total of 1,222 hours and 26 minutes. There were 3 live quorum calls and 366 record votes. (See Chart depicting a 20-Year Comparison of Senate Legislative Activity which follows).

20-YEAR COMPARISON OF SENATE LEGISLATIVE ACTIVITY

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Senate Convened	1/21	1/6	1/25	1/3	1/23	1/3	1/3	1/5	1/25	1/4
Senate Adjourned	10/18	12/22	10/21	11/21	10/28	1/3/92	10/9	11/26	12/01	1/3/96
Days in Session	143	170	137	136	138	158	129	153	138	211
Hours in Session	1,278′15″	1,214′52″	1,126′48″	1,003′19″	1,250′14″	1,200′44″	1,091′09″	1,269′41″	1,243′33″	1,839′10″
Average Hours per Day	8.9	7.1	8.2	7.4	9.1	7.6	8.5	8.3	9.0	8.7
Total Measures Passed	747	616	814	605	716	626	651	473	465	346
Roll Call Votes	359	420	379	312	326	280	270	395	329	613
Quorum Calls	16	36	26	11	3	3	5	2	6	3
Public Laws	424	240	473	240	244	243	347	210	255	88
Treaties Ratified	12	3	15	9	15	15	32	20	8	10
Nominations Confirmed	39,893	46,404	42,317	45,585	42,493	45,369	30,619	38,676	37,446	40,535
Average Voting Attendance	95.72	94.03	91.58	98.0	97.47	97.16	95.4	97.6	97.02	98.07
Sessions Convened Before 12 Noon	117	131	120	95	116	126	112	128	120	184
Sessions Convened at 12 Noon	25	12	12	14	4	9	.....	6	9	2
Sessions Convened after 12 Noon	1	25	5	27	17	23	10	15	17	12
Sessions Continued after 6 p.m	92	97	37	88	100	102	91	100	100	158
Sessions Continued after 12 Midnight	15	6	7	9	13	6	4	9	7	3
Saturday Sessions	2	3	.....	1	3	2	2	2	3	5
Sunday Sessions	.....	1	.....	.....	2	.....	.....	.....	.....	3

20-YEAR COMPARISON OF SENATE LEGISLATIVE ACTIVITY—Continued

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Senate Convened	1/3	1/3	1/27	1/6	1/24	1/3	1/23	1/7	1/20	1/4
Senate Adjourned	10/4	11/13	10/21	11/19	12/15	12/20	11/20	12/9	12/8	12/22
Days in Session	132	153	143	162	141	173	149	167	133	159
Hours in Session	1,036′45″	1,093′07″	1,095′05″	1,183′57″	1,017′51″	1,236′15″	1,042′23″	1,454′05″	1,031′31″	1,222′26″
Average Hours per Day	7.8	7.1	7.7	7.3	7.2	7.1	7.0	8.7	7.7	7.7
Total Measures Passed	476	386	506	549	696	425	523	590	663	624
Roll Call Votes	306	298	314	374	298	380	253	459	216	366
Quorum Calls	2	6	4	7	6	3	2	3	1	3
Public Laws	245	153	241	170	410	136	241	198	300	170
Treaties Ratified	28	15	53	13	39	3	17	11	15	6
Nominations Confirmed	33,176	25,576	20,302	22,468	22,512	25,091	23,633	21,580	24,420	25,942
Average Voting Attendance	98.22	98.68	97.47	98.02	96.99	98.29	96.36	96.07	95.54	97.41

20-YEAR COMPARISON OF SENATE LEGISLATIVE ACTIVITY—Continued—Continued

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Sessions Convened Before 12 Noon	113	115	109	118	107	140	119	133	104	121
Sessions Convened at 12 Noon	15	12	31	17	25	10	12	4	9	1
Sessions Convened after 12 Noon	7	7	2	19	24	21	23	23	21	36
Sessions Continued after 6 p.m	88	96	93	113	94	108	103	134	129	120
Sessions Continued after 12 Midnight	1	.....	.....	.....	.....	2	3	8	2	3
Saturday Sessions	1	1	1	3	1	3	.....	1	2	2
Sunday Sessions	.....	1	.....	.....	1	.....	.....	1	1	2

Prepared by the Senate Daily Digest—Office of the Secretary.

Computer Activities

The Daily Digest continues to send the complete publication at the end of each day to the Government Printing Office electronically. The Editor, Assistant Editor, and Committee Scheduling Coordinator function solely within the framework of adaptability to prepare Digest copy on computers, storing and sharing information, permitting prompt editing, and the final transfer to floppy disc. The Digest continues the practice of sending a disc along with a duplicate hard copy to GPO, even though GPO receives the Digest copy by electronic transfer long before hand delivery is completed adding to the timeliness of publishing the Congressional Record. The Digest office continues to feel comfortable with this procedure, both to allow the Digest Editor to physically view what is being transmitted to GPO, and to allow GPO staff to have a comparable final product to cross reference.

The Digest office continues to work closely with Senate computer staff to refine the LIS/DMS system, including further refinements to the Senate committee scheduling application which will improve the data entry process. The committee scheduling application was developed in 1999 as a server-based web-enabled application that is browser accessible to all Senate offices. It was designed to replace the committee scheduling functions and reports that were supported by the mainframe-based Senate Legis System.

Government Printing Office (GPO)

The Daily Digest continues to discuss with the Government Printing Office problems encountered with the printing of the Digest, and are pleased to report that with the onset of electronic transfer of the Digest copy, occurrences of editing corrections, especially the insertion of page reference numbers, or transcript errors are infrequent. Discussions with GPO continue regarding the inclusion of on-line corrections.

Office Summation

The Daily Digest continues to consult on a daily basis with the Senate Parliamentarians, Legislative, Executive, Journal, and Bill Clerks, the Official Reporters of Debates, as well as the staffs of the Policy Committees and other committee staffs, and is grateful for the continued support from these offices.

4. ENROLLING CLERK

The Enrolling Clerk prepares, proofreads, corrects, and prints all Senate passed legislation prior to its transmittal to the House of Representatives, the National Archives, the Secretary of State, the United States Claims Court, and the White House.

During 2005, 50 enrolled bills (transmitted to the President) and 11 concurrent resolutions (transmitted to Archives) were prepared, printed, proofread, corrected, and printed on parchment.

A total of 624 additional pieces of legislation in one form or another, were passed or agreed to by the Senate, requiring processing from this office.

5. EXECUTIVE CLERK

The Executive Clerk prepares an accurate record of actions taken by the Senate during executive sessions (proceedings on nominations and treaties) which is published as the Journal of the Executive Proceedings of the Senate at the end of each session of Congress. The Executive Clerk also prepares daily the Executive Calendar as well as all nomination and treaty resolutions for transmittal to the President. Additionally, the Executive Clerk's office processes all executive communications, presidential messages and petitions and memorials.

Nominations

During the first session of the 109th Congress, there were 1,201 nomination messages sent to the Senate by the President, transmitting 27,686 nominations to positions requiring Senate confirmation and 18 messages withdrawing nominations sent to the Senate during the first session of the 109th Congress. Of the total nominations transmitted, 511 were for civilian positions other than lists in the Foreign Service, Coast Guard, NOAA, and Public Health Service. In addition, there were 2,740 nominees in the "civilian list" categories named above. Military nominations received this session totaled 24,435 (9,860—Air Force; 8,586—Army; 4,607—Navy and 1,382—Marine Corps). The Senate confirmed 25,942 nominations this session. Pursuant to the provisions of paragraph six of Senate Rule XXXI, 67 nominations were returned to the President during the first session of the 109th Congress.

Treaties

There were 8 treaties transmitted to the Senate by the President during the first session of the 109th Congress for its advice and consent to ratification, which were ordered printed as treaty documents for the use of the Senate (Treaty Doc. 109–1 through 109–8). The Senate gave its advice and consent to 6 treaties with various conditions, declarations, understandings and provisos to the resolutions of advice and consent to ratification.

Executive Reports and Roll Call Votes

There were 8 executive reports relating to treaties and a nomination ordered printed for the use of the Senate during the first session of the 109th Congress (Executive Report 109–1 through 109–8). The Senate conducted 27 roll call votes in executive session, all on or in relation to nominations and treaties.

During the year, the Sergeant at Arms' Systems Development Services Branch worked with the Executive Clerk to make the Executive Calendar more "user friendly" and also to further ongoing improvements to the Legislative Information System pertaining to the processing of nominations, treaties, executive communications, presidential messages and petitions and memorials. Additionally, the SAA worked closely with the Executive Clerk in the development of the new program for writing and publishing the Journal of Executive Proceedings of the Senate each session. The new program, now in use for the second session of the 109th Congress, will greatly improve the pace at which the Journal can be developed and published each year.

Executive Communications

For the first session of the 109th Congress, 5,119 executive communications, 253 petitions and memorials and 34 Presidential messages were received and processed.

6. JOURNAL CLERK

The Journal Clerk takes notes of the daily legislative proceedings of the Senate in the "Minute Book" and prepares a history of bills and resolutions for the printed Journal of the Proceedings of the Senate, or Senate Journal, as required by Article I, Section V of the Constitution. The Senate Journal is published each calendar year. In 2005, the Journal Clerk completed the production of the 867 page 2004 Senate Journal.

The Journal staff each take 90 minute turns at the rostrum in the Senate Chamber, noting by hand for inclusion in the Minute Book (i) all orders (entered into by the Senate through unanimous consent agreements), (ii) legislative messages received from the President of the United States, (iii) messages from the House of Representatives, (iv) legislative actions as taken by the Senate (including motions made by Senators, points of order raised, and roll call votes taken), (v) amendments submitted and proposed for consideration, (vi) bills and joint resolutions introduced, and (vii) concurrent and Senate resolutions as submitted. These notes of the proceedings are then compiled in electronic form for eventual publication at the end of each calendar year in the Senate Journal.

The LIS Senate Journal Authoring System, first utilized by the Journal Clerk to successfully compile the 2004 Journal (from start to finish), continues to be updated as needed to further assist in the efficiency of production; the 2005 Journal is expected to be sent to the Government Printing Office for printing at the end of March.

7. LEGISLATIVE CLERK

The Legislative Clerk sits at the Secretary's desk in the Senate Chamber and reads aloud bills, amendments, the Senate Journal, Presidential messages, and other such materials when so directed by the Presiding Officer of the Senate. The Legislative Clerk calls the roll of members to establish the presence of a quorum and to record and tally all yea and nay votes. The office prepares the Senate Calendar of Business, published each day that the Senate is in session, and prepares additional publications relating to Senate class membership and committee and subcommittee assignments. The Legislative Clerk maintains the official copy of all measures pending before the Senate and must incorporate into those measures any amendments that are agreed to. This office retains custody of official messages received from the House of Representatives and conference reports awaiting action by the Senate.

The office is responsible for verifying the accuracy of information entered into the Legislative Information System (LIS) by the various offices of the Secretary. In an effort to monitor and improve the LIS, the Legislative Clerk acts as the liaison between legislative clerks and technical operations staff of the Sergeant at Arms. The

Legislative Clerk reviews, prioritizes, and forwards change requests from the clerks to the technical operations staff. Over the past year, 30 change requests submitted by the clerks to improve the system have been implemented. Feedback from the Senate community regarding LIS continues to be excellent.

Additionally, the Legislative Clerk is the Director of Legislative Services, providing a single line of communication to the Assistant Secretary and Secretary with responsibility for overall coordination, supervision, scheduling, and cross-training.

Summary of Activity

The first session of the 109th Congress completed its legislative business and adjourned sine die on December 22, 2005. During 2005, the Senate was in session 159 days and conducted 366 roll call votes. There were 286 measures reported from committees and 624 total measures passed. In addition, there were 2,695 amendments processed.

Cross-Training

Recognizing the importance of planning for the continuity of Senate business, under both normal and possibly extenuating circumstances, cross-training is strongly emphasized among the Secretary's legislative staff. To ensure additional staff is trained to perform the basic floor responsibilities of the Legislative Clerk, as well as the various other floor-related responsibilities of the Secretary, approximately 50 percent of the legislative staff is cross-trained.

Amendment Tracking System Expansion

The Senate's web-based application that allows users to access images of Senate amendments proposed to legislation is called the Amendment Tracking System (ATS). Developed in 1997 to provide the Senate with online access to amendments, ATS provides legislative staff with scanned images of the amendments, and descriptive information about them, including their purpose, sponsor, cosponsors, submitted date, proposed date, and status.

During this past year, the Secretary, through the Legislative Clerk, Bill Clerk and Information Systems, spent many hours working with the technical development staff of the Sergeant at Arms to give the ATS a major overhaul. Some of the less visible changes, implemented in March, included upgrades to the hardware and underlying software programs.

In September, the scope of information available on ATS expanded to include submitted amendments, those that have been submitted but have not been proposed on the Senate floor. ATS also expanded the size of amendment images from 25 to 50 pages, so users are now able to see up to 50 pages of a submitted or proposed amendment. The Senate community welcomed the ATS enhancement enthusiastically and feedback has been very positive.

8. OFFICIAL REPORTERS OF DEBATES

The official Reporters of Debates prepare and edit for publication in the Congressional Record a substantially verbatim report of the proceedings of the Senate, and serve as liaison for all Senate personnel on matters relating to the content of the Record. The transcript of proceedings, submitted statements and legislation is transmitted in hard copy and electronically throughout the day to the Government Printing Office (GPO).

The office works diligently to assure that the electronic submissions to GPO are timely and efficient. The Official Reporters encourage offices to make submissions to the Record by electronic means, which results in both a tremendous cost saving to the Senate and minimizes keyboard errors.

To enhance efficiency, the office provides guidelines on format for the Congressional Record. These provide a helpful tool to assure an accurate and timely printing of each day's Congressional Record.

9. PARLIAMENTARIAN

The Parliamentarian's Office continues to perform its essential institutional responsibilities to act as a neutral arbiter among all parties with an interest in the legislative process. These responsibilities include advising the Chair, Senators and their staff, as well as committee staff, House members and their staffs, administration officials, the media and members of the general public, on all matters requiring an interpretation of the Standing Rules of the Senate, the precedents of the Senate, unanimous consent agreements, as well as provisions of public law affecting the proceedings of the Senate.

The Parliamentarians work in close cooperation with the Senate leadership and their floor staffs in coordinating all of the business on the Senate floor. The Parlia-

mentarian or one of his assistants is always present on the Senate floor when the Senate is in session, standing ready to assist the Presiding Officer in his or her official duties, as well as to assist any other Senator on procedural matters. The Parliamentarians work closely with the staff of the Vice President of the United States and the Vice President himself whenever he performs his duties as President of the Senate.

The Parliamentarians monitor all proceedings on the floor of the Senate, advise the Presiding Officer on the competing rights of the Senators on the floor, and advise all Senators as to what is appropriate in debate. The Parliamentarians keep track of the amendments offered to the legislation pending on the Senate floor, and monitor them for points of order. The Parliamentarians reviewed more than 1,000 amendments during 2005 to determine if they met various procedural requirements, such as germaneness. The Parliamentarians also reviewed thousands of pages of conference reports to determine what provisions could appropriately be included therein.

The Office of the Parliamentarian is responsible for the referral to the appropriate committees of all legislation introduced in the Senate, all legislation received from the House, as well as all communications received from the executive branch, state and local governments, and private citizens. In order to perform this responsibility, the Parliamentarians do extensive legal and legislative research. During 2005, the Parliamentarian and his assistants referred 2,610 measures and 5,406 communications to the appropriate Senate committees. The office worked extensively with Senators and their staffs to advise them of the jurisdictional consequences of particular drafts of legislation, and evaluated the jurisdictional effect of proposed modifications in drafting. The office continues to address the jurisdictional questions posed by the creation of the Department of Homeland Security, by the adoption of S. Res. 445, which reorganizes intelligence and homeland security jurisdiction of the Senate's committees, and by the enactment of the Intelligence Reform and Terrorism Prevention Act of 2004. The Parliamentarians have made dozens of decisions about the committee referrals of nominations for new positions created in this department, nominations for positions which existed before this department was created but whose responsibilities have changed, and hundreds of legislative proposals concerning the department's responsibilities.

During 2005, as has been the case in the past, the staff of the Parliamentarian's Office was frequently called on to analyze and advise Senators on a great number of issues arising under the Congressional Budget Act of 1974. An additional layer of procedural and budgetary complexity was added this year, as this office was called upon to advise on unique issues arising from the need to consider two different reconciliation bills and several general appropriations bills in the wake of the emergency brought about by Hurricane Katrina. The Senate considered two separate budget reconciliation bills in 2005, including the first spending reduction reconciliation bill in almost a decade. Such bills present the Parliamentarian's Office with hundreds of judgment calls in the analysis of complex and disparate legislation.

Additionally, in the last five years, rules relating to legislation on appropriations bills, and the scope of conference reports on all bills were reinstated. This has opened up hundreds of Senate amendments to renewed scrutiny by the Parliamentarians, and has meant that the Parliamentarians now have the responsibility of potentially reviewing every provision of every conference report considered by both the House and the Senate.

FINANCIAL OPERATIONS: DISBURSING OFFICE

DISBURSING OFFICE ORGANIZATION

The mission of the Senate Disbursing Office is to provide efficient and effective central financial and human resource data management, information and advice to the distributed, individually managed offices, and to Members and employees of the United States Senate. To accomplish this mission, the Senate Disbursing Office manages the collection of information from the distributed accounting locations in the Senate to formulate and consolidate the agency level budget, disburse the payroll, pay the Senate's bills, prepare auditable financial statements, and provide appropriate counseling and advice. The Senate Disbursing Office collects information from Members and employees that is necessary to maintain and administer the retirement, health insurance, life insurance, and other central human resource programs to provide responsive, personal attention to Members and employees on a non-biased and confidential basis. The Senate Disbursing Office also manages the distribution of central financial and human resource information to the individual Member Offices, Committees, and Administrative and Leadership offices in the Sen-

ate while maintaining the appropriate control of information for the protection of individual Members and Senate employees.

To support the mission of the Senate Disbursing Office, the organization is structured in a manner that is intended to enhance its ability to provide quality work, maintain a high level of customer service, promote good internal controls, efficiency and teamwork, and provide for the appropriate levels of supervision and management. The long-term financial needs of the Senate are best served by an organization staffed with highly trained professionals who possess a high degree of institutional knowledge, sound judgment, and interpersonal skills that reflect the unique nature of the United States Senate.

DEPUTY FOR BENEFITS AND FINANCIAL SERVICES

The principal responsibility of this position is to provide expertise on Federal retirement and benefits, payroll, and front office processes. Coordination of the interaction between the Financial Services, Employee Benefits, and Payroll sections is also a major responsibility of the position, in addition to the planning and project management of new computer systems and programs. The Deputy for Benefits and Financial Services ensures that job processes are efficient and up to date, modifies computer support systems, implements regulatory and legislated changes, and designs and produces forms for use in all three sections.

After year end processing of payroll for the calendar year 2004, a few minor alterations to the new version of the payroll system were made, and enhancements to the COLA process were smoothly completed. W–2s were issued promptly and were immediately available on the Imaging system.

Starting in February, enhancements to the Document Imaging System began and updates to the system, including the ability to e-mail images to other agencies and to rearrange documents within folders, were added. Back up and storage processes for document images continue to be refined. Existing Disaster Recovery efforts continue to be improved to provide easy access to this important data. All microfilm records from the Benefits/Payroll side of the Office were imaged and by the end of the year, there was no longer a need to use microfilm.

During April, the qualified lender certification process, part of the Student Loan Repayment Program, was modified. The main drawback encountered was to authorize a Disbursing representative to talk with the staff member's loan servicer, and the verification of the loan particulars by a follow up call to the lender. The new process requires the staff member to get a standard form completed by their lender and submit it with their paperwork. This removed a tremendous number of phone calls to and from lenders, the Office, and staff members and has greatly expedited the process. It also allowed the process to be handled on a rotating basis by a payroll specialist.

During the year many reports used by the Employee Benefits Section were examined and updated to reflect new reporting requirements and to enhance system support. One new form was produced for the Termination Log, which tracks all employees who left the Senate during the previous payroll period. Now, all required forms for terminating employees are produced by our payroll system.

The Senate warehouse project is nearing completion as the process of transitioning materials is in its final phase. For many years, Disbursing files were stored in two Senate off-site locations, due to space limitations. All Disbursing files in both off-site warehouses were examined, organized, placed on pallets, and numbered in preparation for the move to the new warehouse. The numbers of pallets requiring storage room were confirmed, and over 70 file cabinets holding historical personnel and office records were prepared for the move in early December 2005. An enclosed, secure and environmentally controlled area was provided for personnel files and 6 new revolving vertical storage file cabinets were prepared for the site. The cabinets will hold all current files and provide ample space for growth. Additional space for 100 pallets was also provided in the new warehouse which should fulfill Disbursing's storage needs for many years.

FRONT COUNTER—ADMINISTRATIVE AND FINANCIAL SERVICES

The Front Counter is the main service area of all general Senate business and financial activity. The Front Counter maintains the Senate's internal accountability of funds used in daily operations. Reconciliation of such funds is executed on a daily basis. The Front Counter provides training to newly authorized payroll contacts along with continuing guidance to all contacts in the execution of business operations. It is the receiving point for most incoming expense vouchers, payroll actions, and employee benefits related forms, and is the initial verification point to ensure that paperwork received in the Disbursing Office conforms to all applicable Senate

rules, regulations, and statutes. The Front Counter is the first line of service provided to Senate Members, Officers, and employees. All new Senate employees (permanent and temporary) who will work in the Capitol Hill Senate offices are administered the required oath of office and personnel affidavit and provided verbal and written detailed information regarding their pay and benefits. Authorization is certified to new and state employees for issuance of their Senate I.D. card. Advances are issued to Senate staff authorized for an advance for official Senate travel. Cash and check advances are entered and reconciled in the Funds Advance Tracking System (FATS). Repayment of travel advances is executed after processing of certified expenses is complete. Travelers Checks are available on a non-profit basis to assist the traveler. Numerous inquiries are handled daily, ranging from pay, benefits, taxes, voucher processing, reporting, laws, and Senate regulations, and must always be answered accurately and fully to provide the highest degree of customer service. Cash and checks received from Senate entities as part of their daily business are handled through the Front Counter and become part of the Senate's accountability of federally appropriated funds and are then processed through the Senate's general ledger system.

General Activities

The Front Counter processed approximately 2,200 cash advances, totaling approximately $1.1 million and initialized 710 check/direct deposit advances, totaling approximately $709,000.

Received and processed more than 28,000 checks, totaling over $3,000,000.

Administered Oath and Personnel Affidavits to more than 3,000 new Senate staff and advised them of their benefits.

Maintained brochures for 10 Federal health carriers and distributed approximately 3,500 brochures to new and existing staff during the annual FEHB Open Season.

Provided 25 training sessions to new Administrative Managers.

The Front Office operations continued the daily reconciliation of operations and strengthened internal office controls. Training and guidance to new Administrative Managers and business contacts continued, as well as the incorporation of updates of the scanning and imaging project into daily operations. A major emphasis was placed on assisting employees in maximizing their Thrift Savings Plan contributions and making them aware of the Thrift Savings Plan catch up program when applicable. Front Office operations continued to provide the Senate community with prompt, courteous, and informative advice regarding Disbursing operations.

PAYROLL SECTION

The Payroll Section maintains the Human Resources Management System (HRMS) and is responsible for the processing, verifying, and warehousing all payroll information submitted to the Disbursing Office by Senators for their personal staff, by Chairmen for their committee staff, and by other elected officials for their staff; issuing salary payments to the above employees; rectifying returns of student loan allowance payments, jointly maintaining the Automated Clearing House (ACH) FEDLINE facilities with the Accounts Payable Section for the normal transmittal of payroll deposits to the Federal Reserve; distributing the appropriate payroll expenditure and allowance reports to the individual offices; issuing the proper withholding and agency contributions reports to the Accounting Department; and transmitting the proper Thrift Savings Plan (TSP) information to the National Finance Center (NFC), while maintaining earnings records for distribution to the Social Security Administration, and maintaining employees' taxable earnings records for W–2 statements. The Payroll Section is also responsible for the payroll expenditure data portion of the Report of the Secretary of the Senate.

General Activities

The Payroll Section processed a January 1, 2006 cost of living increase of 3.44 percent. The Payroll Section maintained the normal schedule of processing TSP open season forms. Employees took full advantage of the increase of TSP deductions making the most of the new $15,000 maximum. For those employees over 50 years of age, the TSP catch-up programs provided them with an opportunity to make additional contributions in excess of the standard program.

The aftermath of Hurricane Katrina gave members of the Payroll Section the opportunity to work directly with TSP employees as their COOP facility was located in the Virginia suburbs. Several visits were made to the site to ensure the deductions for employees of the Senate were properly applied, and to receive training on their Web based processing system.

The Student Loan Program, Flexible Spending Accounts, and Long Term Care account processing continues. The office continues to refine and improve processes in working with third party contractors. In addition, the elections of 2004 presented the section with the task of opening and closing nine offices plus the monitoring of S. Res. 9 payrolls during the first 6 months of 2005.

The Payroll Section again participated in the December disaster recovery testing. This year's test entailed using the ACF processing equipment to operate the payroll/personnel system from the Hart Building while SAA programmers ran trial payrolls from dial up sources. Part of the test was for members of SAA Production Services to produce the payroll output from printers located at the ACF. During the holidays, members of the Payroll Section conducted another test of the payroll personnel system by processing over 400 salary changes through dial up from a laptop computer. The payroll personnel system test proved that it could be run from many locations at the same time.

EMPLOYEE BENEFITS SECTION

The primary responsibilities of the Employee Benefits Section (EBS) are administration of health insurance, life insurance and all retirement programs for Members and employees of the Senate. This includes counseling, processing of paperwork, research, dissemination of information and interpretation of retirement and benefits laws and regulations. In addition, the sectional work includes research and verification of all prior federal service and prior Senate service for new and returning appointees. EBS provides this information for payroll input, and once Official Personnel Folders and Transcripts of Service are received, verifies the accuracy of the information provided and reconciles as necessary. Transcripts of Service, including all official retirement and benefits documentation, are provided to other federal agencies when Senate Members and staff are hired elsewhere in the government. EBS processes employment verifications for loans, the Bar Exam, the FBI, OPM, and DOD, among others. Unemployment claim forms are completed, and employees are counseled on their eligibility. Department of Labor billings for unemployment compensation paid to Senate employees are reviewed in EBS and submitted by voucher to the Accounting Section for payment, as are the employee fees associated with the Flexible Spending Accounts. Designations of Beneficiary for FEGLI, CSRS, FERS, and unpaid compensation are filed and checked by EBS.

General Activities

The year began with EBS finalizing retirement estimates and processing the many retirement cases associated with the outgoing Senators and their staffs, as well as committee staff affected by the changes. Approximately 150 retirement cases were processed throughout 2005.

There was a great deal of employee turnover in early 2005. New Members appointed numerous employees from the House and Executive Branch, and many other employees left with their outgoing Members, many of whom were appointed to positions in the Executive Branch. This caused a dramatic increase in appointments to be researched and processed, retirement records to be closed out, termination packages of benefits information to be compiled and mailed out, and health insurance enrollments to be processed. Transcripts of service for employees going to other federal agencies, and other tasks associated with employees changing jobs were at a high level this year. These required prior employment research and verification, new FEHB, FEGLI, FSA, CSRS, FERS and TSP enrollments, and the associated requests for backup verification.

The 2004 OPM FEGLI Open Season (OS) elections took effect September 1, 2005. EBS verified and processed all OS elections and provided reminder notifications and guidance to those affected. Approximately 350 Senate employee FEGLI changes were processed.

Interagency meetings attended involved time spent on the development and understanding of the new Vision and Dental (V&D) programs that will surface in late 2006 and the new Voluntary Benefits Portal that is in development under the direction of Office of Personnel Management (OPM) to combine third-party administration of FSA, LTCI and the new V&D programs. Information was also shared on the implementation of the FEGLI Open Season enrollments. Interaction and cooperation were essential in the continuing operations of the New Orleans-based Thrift Savings Plan and the National Finance Center in the wake of Hurricane Katrina. EBS did as much as possible to provide assistance and information to Senate staff that would normally be provided by TSP.

The annual FEHB Open Season was held and approximately 500 employees changed plans. These changes were processed and reported to carriers in record time. Once again, the on-line Checkbook Guide to Health Plans was made available

to Senate employees to research and compare FEHB plans. This tool will remain available to staff throughout the year. Additional effort was made to increase employee awareness and understanding of this valuable tool, and feedback is positive. The FEHB Open Season Health Fair was also attended by about 600 employees and as an additional service, it was open to all other federal employees on the Hill, including House, Capitol Police, Architect of the Capitol and Senate Restaurant employees. In addition to having health plan representatives available to provide information and answer questions, representatives from FSA Feds and Long Term Care Insurance were also in attendance.

Much effort was made in coordination with the Senate Computer Center to effect computer enhancements and provide additional automated forms to our database. This has provided greater efficiency and increased accuracy of information.

EBS continues to work with our File Room personnel to modify our procedures and the flow of forms to maintain imaged documentation with COOP preparedness in mind. For COOP readiness with respect to employee personnel folder access, the goal for 2006 is to explore alternatives to complete the scanning of all "prior" employee personnel folder documents that are housed in the Disbursing file room.

Educational seminars were held for the Civil Service Retirement System and the Federal Employees Retirement System. These seminars for staff were well attended and well received.

Due to the continued boom in the housing market, employment verifications came in at a rapid pace, averaging over 100 per month. Unemployment verifications were especially high early in the year and remained constant throughout the year. Telephone inquiries, though not specifically tracked, continued at high levels.

DISBURSING OFFICE FINANCIAL MANAGEMENT

Headed by the Deputy for Financial Management, the mission of Disbursing Office Financial Management (DOFM) is to coordinate all central financial policies, procedures, and activities, to process and pay expense vouchers within reasonable time frames, to work toward producing an auditable consolidated financial statement for the Senate and to provide professional customer service, training and confidential financial guidance to all Senate accounting locations. In addition, the Financial Management group is responsible for the compilation of the annual operating budget of the United States Senate for presentation to the Committee on Appropriations as well as for the formulation, presentation and execution of the budget for the Senate. On a semiannual basis, this group is also responsible for the compilation, validation and completion of the Report of the Secretary of the Senate. DOFM is segmented into three functional departments: Accounting, Accounts Payable, and Budget. The Accounts Payable Department is subdivided into three sections: the Audit group, the Disbursement group and the Vendor/SAVI group. The Deputy coordinates the activities of the three functional departments, establishes central financial policies and procedures, acts as the primary liaison to Human Resources, and carries out the directives of the Financial Clerk and the Secretary of the Senate.

ACCOUNTING DEPARTMENT

During fiscal year 2005, the Accounting Department approved nearly 47,800 expense reimbursement vouchers, processed 1,300 deposits for items ranging from receipts received by the Senate operations, such as the Senate's Revolving Funds, to canceled subscription refunds from Member offices. General ledger maintenance also prompted the entry of thousands of adjustment entries that include the entry of all appropriation and allowance funding limitation transactions, all accounting cycle closing entries, and all non-voucher reimbursement transactions such as payroll adjustments, COLA (cost of living) budget uploads, stop payment requests, travel advances and repayments, and limited payability reimbursements.

This year the Accounting Department assisted in the validation of various system upgrades and modifications, including the testing required to implement Web Release 10.0, an upgrade to the mainframe operating system to Z/OS, and the testing of last non-zero balance date to fix process control. During January 2005, the Accounting Department with assistance from a contractor, Bearing Point, completed the 2004 year-end process to close and reset revenue, expense and budgetary general ledger accounts to zero. During June 2005, we successfully tested and implemented in Federal FAMIS another document purge including the archiving of Web report data for lapsed years. Further, toward the end of the fiscal year, the financial file rollover was performed to update FAMIS' tables and create the new index codes needed to accommodate data for fiscal year 2006.

The Department of the Treasury's monthly financial reporting requirements includes a Statement of Accountability that details all increases and decreases to the accountability of the Secretary of the Senate, such as checks issued during the month and deposits received, as well as a detailed listing of cash on hand. Also, on a monthly basis, reported to the Department of the Treasury is the Statement of Transactions According to Appropriations, Fund and Receipt Accounts that summarizes all activity at the appropriation level of all monies disbursed by the Secretary of the Senate through the Financial Clerk of the Senate. All activity by appropriation account is reconciled with the Department of the Treasury on a monthly and annual basis. The annual reconciliation of the Treasury Combined Statement is also used in the reporting to the Office of Management and Budget (OMB) as part of the submission of the annual operating budget of the Senate.

This year, the Accounting Department transmitted all Federal tax payments for Federal, Social Security, and Medicare taxes withheld from payroll expenditures, as well as the Senate's matching contribution for Social Security and Medicare, to the Federal Reserve Bank. The Department also performed quarterly reporting to the Internal Revenue Service (IRS) and annual reporting and reconciliation to the IRS and the Social Security Administration. Payments for employee withholdings for state income taxes were reported and paid on a quarterly basis to each state with applicable state income taxes withheld. Monthly reconciliations were performed with the National Finance Center regarding the employee withholdings and agency matching contributions for the Thrift Savings Plan.

In addition to Treasury's external reporting deadlines, there are internal reporting requirements such as the monthly ledger statements for all Member offices and all other offices with payroll and non-payroll expenditures. These ledger statements detail all of the financial activity for the appropriate accounting period with regard to official expenditures in detail and summary form. Each month, the Accounting Department reviews and verifies the accuracy of the statements before distribution is made.

The Accounting Department, in conjunction with the Deputy for Financial Management, continues to work closely with the Sergeant at Arms Finance Department in completing the corrective actions that were identified during our pro-forma financial statements' audit ability assessment. Based on the results of this exercise, 23 corrective actions were suggested including an action plan and proposed schedule to have them corrected. Some of the actions were rather simple to implement while others will take significantly longer. Of the 23 corrective actions noted, 18 have been completed and 5 are still in process. As part of this project, the Accounting Group is working with the SAA in reconciling FAMIS entries to Asset Center. The Accounting Group also finalized clearing all CASHLINK outstanding items.

As part of the financial statement initiative, the accounting group has worked on the validation of the Senate's pro-forma financial statements for fiscal year 2004. The validation of the statements of financial position, net costs and changes in net position for fiscal year 2004 is complete. Work is still underway on the last two statements—budgetary resources and finance—and is expected to be completed by the end of March. At that time, work on the fiscal year 2005 statements will begin.

Toward the end of the calendar year, in coordination with SAA staff, the Chief Accountant and the Deputy for Financial Management participated in successful testing of our disaster recovery facility.

ACCOUNTS PAYABLE

VENDOR/SAVI SECTION

Created in 2003, the Vendor/SAVI section is responsible for maintaining the accuracy and integrity of the Senate's central vendor (payee) file, for the prompt completion of new vendor file requests, and service requests related to the Office's web-based payment tracking system known as SAVI. This section also assists the IT Department performing periodic testing and monitoring of the performance of the SAVI system.

Currently, there are more than 13,400 vendor records stored in the vendor file. Daily requests for new vendor addresses or updates to existing vendor information are processed within 24 hours of being received. In 2004, the A/P Department began to pay vendors electronically via the Automated Clearing House (ACH). Besides updating mailing addresses, the Vendor/SAVI section facilitates the use of ACH by switching the method of payment requested by the vendor from check to ACH. Whenever a new remittance address is added to the vendor file, a standard letter is mailed to our vendors requesting tax and banking information. Currently, more than 1,250 vendors and over half of the state offices' landlords are being paid by ACH.

As stated earlier, SAVI is Disbursing's web-based payment tracking system. Senate staff may electronically create, save, and file expense reimbursement forms, track their progress, and receive detailed information on payments made. The most common service requests are those for system user ids, system passwords and to activate deactivated accounts; less common but more complicated are employee requests for an alternative expense payment method. An employee can choose to have their payroll set up for direct deposit but may have their expenses reimbursed by paper check.

The Vendor/SAVI section works closely with the A/P disbursements group resolving returned EFT issues. EFT payments are returned periodically for a variety of reasons. The reasons given have included incorrect account numbers, incorrect ABA routing numbers, and, in rare instances, a nonparticipating financial institution. Most EFT return issues are easy to resolve; however, there are some instances that result with a vendor being converted back to paper check payments. Currently, there are no unresolved returned EFT issues.

The Vendor/SAVI section continues to electronically scan and store supporting documentation of vendor file requests. Currently, with assistance from the Disbursement Group, over 5,000 vendors have been electronically scanned and the paper files certified for destruction. In the near future, this section will assist the IT Department in testing an automatic e-mail notification system which will alert vendors when an EFT payment has been made and will provide pertinent payment information.

This year, the Vendor/SAVI section processed over 2,700 vendor file requests, completed nearly 2,200 SAVI service requests and mailed over 1,400 vendor information letters.

ACCOUNTS PAYABLE

DISBURSEMENTS DEPARTMENT

Well over 120,000 expense claims were received and processed by the department in 2005. More than 32,500 expense checks were written and approximately 56,500 direct deposit reimbursements were transmitted. The department has experienced a small decline of roughly 7 percent in the number of checks written and a slightly larger increase of 13 percent in the number of ACH payments, and it is expected that this trend will continue. The department suffered no performance loss, ensuring that all vendors and employees continued to receive timely and accurate payments.

After vouchers are paid, they are sorted and filed by document number. Vouchers are grouped in 6-month "clusters" to accommodate their retrieval for the semi-annual Report of the Secretary of the Senate. Files are maintained for the current period and two prior periods in-house as space is limited. Older documents are stored at the warehouse facility.

A major function of the department is to prepare adjustment documents. Adjustments are varied and include the following: preparation of foreign travel advances and vouchers, reimbursements for expenses incurred by Senate Leadership, re-issuance of items held as accounts receivable collections, re-issuance of payments for which non-receipt is claimed, and various supplemental adjustments received from the Payroll Department. Such adjustments are usually disbursed by check, but an increasing number are now handled electronically via ACH as more vendors and employees opt for this payment method.

The Disbursements Department is also responsible for researching returned checks as vendors request additional information relating to payment allocation. Fortunately, few checks are returned. This is a result of the use of a centralized vendor file and accurate certification of payments. There are currently no unresolved returned check issues.

During 2005, an increasing number of ACH items were returned for reasons ranging from erroneous account information to non-participation by depositing banks. Some of the returns were simply notices of change while others were rejected outright. Procedures were established which created a liaison with the Vendor/SAVI group, Payroll, and Accounting. Corrections are forwarded to the Vendor/SAVI group so the corrections may be made in the vendor file. Corrections involving payroll are forwarded to that department. Such corrections are downloaded into the vendor file for nightly processing.

All rejected items are logged into an ACH Reports folder in Excel. They are classified as either Payroll or Accounts Payable, and the actual daily reports are also scanned into the folder. Once logged in, the payroll items are forwarded to the Payroll Department, and the non-payroll items are forwarded to Vendor/SAVI for appropriate corrective action. Corrective actions include correction of erroneous data and

retransmission, or sometimes re-issuance by paper check. Once the corrective action is determined, an accounting memo is drafted and given to Disbursements and the appropriate action is taken. The Excel spreadsheet contains details of the return as well as information relating to the corrective action taken. Accounting then uses the information contained in the spreadsheet to assist them in reconciling CASHLINK with the Treasury.

The Accounts Payable Disbursements Department prepares mailing labels for the distribution of the monthly ledgers to the 140 accounting locations throughout the Senate. Although the ledgers are sorted and sent out by Accounting, the Disbursements Group maintains the file of how and where the statements are to be delivered. This information is transferred to mailing labels, placed on manila envelopes, and given to Accounting. Offices expressing no preference have their statements sent to their respective offices marked "Personal and Confidential." The main objective of this process is to have each office receive their ledger statements for the month just ended by the 10th of the following month.

The Department also prepares the forms required by the Department of Treasury for stop payments. Stop payments are requested by employees who have not received salary or expense reimbursements, and vendors claiming non-receipt of expense checks. During this year, the A/P Disbursement Supervisor and the Accounts Payable Manager continued using the Department of Treasury's Financial Management Service (FMS) online stop pay and check retrieval process known as PACER. The PACER system allows us to electronically submit stop-payment requests and provides on-line access to digital images of negotiated checks for viewing and printing. Once a check is viewed, it is printed and may be scanned. Scanned images are then forwarded to the appropriate accounting locations via e-mail. This process has been well received by Senate offices and vendors. This saves time and significantly reduces reliance on the postal system. Accounts Payable Disbursements staff have Treasury secure ID cards and are trained in the use of PACER. Given the time and money savings, as well as the overwhelmingly positive reception, large growth in the use of PACER for check retrieval purposes is anticipated.

The Disbursements Department continues the use of laser checks. The tractor-fed check writer system has been dismantled and a new, improved system was developed and implemented. The previously ordered folder/inserter was purchased and has been installed. In addition to the new folder/inserter, the replacement was comprehensive in scope. New hardware was introduced and further check writer upgrades are scheduled for 2006. The result is a user friendly system which has the additional benefits of greater security and higher degree of accuracy. Only certain key personnel have access to the signature fonts which are specific to each individual, and print quality has been significantly improved.

Work continues on the reconciliation of the replacement check account. A team was formed consisting of the Deputy for Financial Management, Accounts Payable Manager, Chief Accountant, Accounts Payable Disbursements Supervisor and Staff Accountants. Persistent and determined revenue collection procedures have resulted in the elimination of all but one unresolved item.

ACCOUNTS PAYABLE

AUDIT DEPARTMENT

The Accounts Payable Audit Section is responsible for auditing vouchers and answering questions regarding voucher preparation and the permissibility of expenses and advances. This section provides advice and recommendations on the discretionary use of funds to the various accounting locations, identifies duplicate payments submitted by offices, monitors payments related to contracts, trains Administrative Managers and Chief Clerks about Senate financial practices, trains Administrative Managers in the use of the Senate's Financial Management Information System, and assists in the production of the Report of the Secretary of the Senate.

A major function of the Section is to monitor the Fund Advance Tracking System (FATS) to ensure that advances are charged correctly, vouchers repaying such advances are entered, and balances are adjusted for reuse of the advance funds. An "aging" process is also performed to ensure that travel advances are repaid in the time specified by the advance travel regulations. Travel advances may be repaid via regular voucher processing, or may be canceled if the corresponding travel is not taken.

The Accounts Payable Audit Section, currently a group of 13, has the responsibility for the daily processing of expense claims submitted by the 140 accounting locations of the Senate. The section processed in excess of 145,000 expense vouchers in fiscal year 2005, as well as 23,000 uploaded items. The voucher processing ranged in scope from providing interpretation of Senate rules, regulations and statute, ap-

plying the same to expense claims, monitoring of contracts and direct involvement with the Senate's central vendor file. On average, vouchers greater than $100 that do not have any issues or questions are received, audited, sanctioned by Rules and paid by Disbursing within 10 business days of receipt.

Uploaded items are of two varieties, certified expenses and vendor payments. Certified expenses include items such as stationery, telecommunications, postage, and equipment. Charges incurred by the various Senate offices are certified to Disbursing on a monthly basis. As an example, the Keeper of Stationery tracks all expenditures for each office, and sends a voucher certifying the expenses incurred over the previous month. The expenses are detailed on a spreadsheet which is also electronically uploaded. The physical voucher is audited and appropriate revisions are made. The revisions are transferred into the uploaded spreadsheet which is then used to effect payment to the Keeper. Concentrated effort is put forth to ensure certified items appear as paid in the same month they are incurred.

Vendor uploads are fairly new, and are used to pay vendors for the Stationery Room, Senate Gift Shop, State office rentals, and refunds of security deposits for the Page School. The methodology is roughly the same as for certifications, but the payments rendered are for the individual vendors. Although these items are generally processed and paid quickly, the State Office rents are generally paid a few days prior to the month of the rental in keeping with a general policy of paying rent in advance.

During fiscal year 2004, the Chairman of the Committee on Rules and Administration increased the delegated sanctioning authority for vouchers from $35 or less to $100 or less. These vouchers comprise approximately 60 percent of all vouchers processed. The responsibility for sanctioning rests with the Certifying Accounts Payable Specialists and are received, audited, and paid within 5 business days of receipt. Disbursing passed two post-payment audits performed by the Rules Committee.

The Accounts Payable Audit Group provided training sessions in the use of new systems, the process for generation of expense claims, the permissibility of an expense, and participated with seminars sponsored by the Secretary of the Senate, the Sergeant at Arms, and the Library of Congress. The Section trained 14 new Administrative Managers and Chief Clerks and conducted 5 informational sessions for Senate staff through seminars sponsored by the Congressional Research Service. The Accounts Payable group also routinely assists the IT department and other groups as necessary in the testing and implementation of the new hardware, software, and system applications. Web FMIS version 9 was in use for most of the year with the electronic, importable expense summary report (ESR). The electronic ESR has gained widespread acceptance and Web FMIS version 10 was installed in September. Extensive testing is anticipated for the release of Web FMIS version 10.3 in fiscal year 2006.

A cancellation process was established for advances in 2004. This was necessary to ensure repayment of advances systematically for canceled or postponed travel in accordance with Senate travel regulations. Advance procedures including cancellation were formally incorporated into the Policies and Procedures Manual. Although procedures are in place, enhancement is necessary and is expected in a later release of Web FMIS. Cancellation of other Web vouchers is also scheduled for testing during a later system release. The A/P sections within the Polices and Procedures Manual continue to be updated and revised as new policies, regulations, and system functionality enhancements dictate.

BUDGET DEPARTMENT

The third component of the Disbursing Office Financial Management Group is the Budget Department. The primary responsibility of the Budget Department is to compile the annual operating budget of the United States Senate for presentation to the Committee on Appropriations. The Budget Department is responsible for the preparation, issuance and distribution of the budget justification worksheets (BJW). In fiscal year 2005, the budget justification worksheets were processed in December. The budget baseline estimates for fiscal year 2006 were reported to the Office of Management and Budget in January.

This department is also responsible for the formulation, presentation and execution of the budget for the Senate and provides a wide range of analytical, technical and advisory functions related to the budget process. The Budget Department acts as the Budget Officer for the Office of the Secretary, assisting in the preparation of testimony for the hearings before the Committee on Appropriations and the Committee on Rules and Administration.

During January, the Senate Budget Analyst is responsible for the preparation of 1099's and the prompt submission of forms to the IRS before the end of the month.

DISBURSING OFFICE INFORMATION TECHNOLOGY

FINANCIAL MANAGEMENT INFORMATION SYSTEM

The Disbursing Office Information Technology (IT) Department provides both functional and technical assistance for all Senate financial management activities. Activities revolve around support of the Senate's Financial Management Information System (FMIS) which is used by approximately 140 Senate accounting locations (i.e., 100 Senator's offices, 20 Committees, 20 Leadership and Support offices, the Rules Committee Audit section, and the Disbursing Office). Responsibilities include:

—Supporting current systems;
—Testing infrastructure changes;
—Managing and testing new system development;
—Planning;
—Managing the FMIS project, including contract management;
—Administering the Disbursing Office's Local Area Network (LAN); and
—Coordinating the Disbursing Office's disaster recovery activities.

Work during 2005 was supported by the Sergeant at Arms Technology Services staff, the Secretary's Information Technology staff, and contracts with Bearing Point.

The SAA Technology Services staff provides the technical infrastructure, including hardware (mainframe and servers), operating system software (mainframe and servers), database software, and telecommunications; technical assistance for these components, including migration management, and database administration; and regular batch processing. Bearing Point is responsible, under the contract with the SAA, for operational support, and under contract with the Secretary, for application development. The Disbursing Office is the "business owner" of FMIS and is responsible for making the functional decisions about FMIS. The three organizations work cooperatively.

Highlights of the year include:

—Implementation of six releases of Web FMIS. Combined, these releases took FMIS to the "zero-client" platform, an important milestone in providing this critical system in a disaster situation. By the end of April 2005 all Web FMIS users were using the intranet version of Web FMIS;
—Implementation of a release of SAVI that enables Macintosh computer users to use this system;
—Support of the Rules Committee's post payment audit for the Rules Committee Audit to conduct a statistically valid sample of vouchers of $100 and under for which sanctioning was delegated to the Financial Clerk;
—Upgrading our e-mail to "Active Directory";
—Coordinating and participating in the FMIS portion of a disaster recovery exercise for the Alternate Computing Facility; and
—Conducting monthly classes and seminars on Web FMIS.

FMIS is not a single computer system. It is composed of many subsystems that provide Senate-specific functionality. These subsystems are outlined in the table that begins on the following page.

SENATE FINANCIAL MANAGEMENT INFORMATION SYSTEM

Subsystem	Functionality	Source	Primary Users	Implementation
FAMIS (Mainframe)	General ledger Vendor file Administrative functions Security functions	Off the shelf federal system purchased from Bearing Point.	Disbursing Office	October 1998
ADPICS (Mainframe)	Preparation of requisition, purchase order, voucher from purchase order, and direct voucher documents. Electronic document review functions Administrative functions	Off the shelf federal system purchased from Bearing Point.	Sergeant at Arms Disbursing Office Secretary of the Senate	October 1998
Checkwriter (Client-server)	Prints checks and check registers as well as ACH (Automated Clearing House) direct deposit transmission payments.	Off the shelf state government system purchased from and adapted to Senate's requirements by Bearing Point.	Disbursing Office	October 1998
Web FMIS (Intranet)	Preparation of vouchers, travel advances, vouchers from advance documents, credit documents and simple commitment and obligation documents. Entry of detailed budget Reporting functions (described below) Electronic document submission and review functions Administrative functions	Custom software developed under Senate contract by Bearing Point.	All Senators' offices All Committee offices All Leadership and Support offices Secretary of the Senate Sergeant at Arms Disbursing Office	October 1999 Client Server August 2004 Intranet
FATS (PC-based)	Tracks travel advances and petty cash advances (available to Committees only). Tracks election cycle information	Developed by SAA Technology Services.	Disbursing Office	Spring 1983
Post Payment Voucher Audit (PC-based)	Selects a random sample of vouchers for which sanctioning was delegated to the Financial Clerk for the Rules Committee to use in conducting a post payment audit.	Excel spreadsheet developed by Bearing Point.	Rules Committee Disbursing Office	Spring 2003
SAVI (Intranet)	As currently implemented, provides self-service access (via the Senate's intranet) to payment information for employees receiving reimbursements. Administrative functions	Off the shelf system purchased from Bearing Point.	Senate employees	Pilot—Spring 2002 Senate-wide July 2002

Online ESR (Intranet)	A component of SAVI through which Senate employees can create on-line Travel/Non-Travel Expense Summary Reports and submit them electronically to the Administrative Manager/Chief Clerk for processing.	Custom software developed under contract by Bearing Point.	Senate employees	April 2003
Secretary's Report (Mainframe extracts, crystal reports, and client-server ''tool box'').	Produces the Report of the Secretary of the Senate.	Custom software developed under contract by Bearing Point.	Disbursing Office	Spring 1999
Ledger Statements (Mainframe database extracts, and crystal reports).	Produces monthly reports from FAMIS that are sent to all Senate ''accounting locations''.	Developed by SAA Technology Services.	Disbursing Office Senate Accounting Locations	Winter 1999
Web FMIS Reports (mainframe database extracts, crystal reports, and Intranet).	Produces a large number of reports from Web FMIS, FAMIS and ADPICS data at summary and detailed levels. Data is updated as an overnight process and can be updated through an on-line process by accounting locations.	Custom software developed under contract by Bearing Point.	Senate Accounting Locations	October 1999—Client Server April 2005—Intranet

Supporting Current Systems

The IT section supports FMIS users in all 140 accounting locations, the Disbursing Office Accounts Payable, Accounting, Disbursements and Front Office Sections, and the Rules Committee Audit staff. The activities associated with this responsibility include:

—User support—provide functional and technical support to all Senate FMIS users; staff the FMIS "help desk"; and meet with Chiefs of Staff, Administrative Managers, Chief Clerks, and various Senate offices as requested;
—Technical problem resolution—ensure that technical problems are resolved;
—Monitor system performance—check system availability and statistics to identify system problems and coordinate performance tuning activities for parallel load and database access optimization;
—Security—maintains user rights for all ADPICS, FAMIS, SAVI, and Web FMIS users;
—System administration—design, test and make entries to tables that are intrinsic to the system;
—Support of Accounting Activities—provide assistance in the cyclic accounting system activities such as rollover, the process by which tables for the new fiscal year are created, and archiving and purging for the current year tables data for lapsed fiscal years;
—Support the Rules Committee post payment voucher audit process; and
—Training—provide functional training to all Senate FMIS users.

Of these, the post payment voucher audit deserves recognition. In December of 2002, the Rules Committee delegated to the Financial Clerk the authority for sanctioning vouchers of $35 and less; effective January 1, 2004 this threshold increased to $100. The authorization directed Rules and Disbursing to establish a set of procedures for a semi-annual audit of these vouchers. The two offices agreed that Rules would conduct a random sampling inspection of these vouchers based on industry statistical standards. Under the supervision of the IT Group, Bearing Point created tools to determine the sample size, to enable selecting the sample from the universe of vouchers of $100 and less, and to determine the acceptable number of discrepancies given the sample size and the desired confidence interval. Both audits conducted in 2005 resulted in a favorable finding of zero discrepancies. The audit conducted in April 2005 for the six-month period ending March 31, 2005, covered 24,643 vouchers and the audit conducted in October 2005 for the six-month period ending September 30, 2005, covered 29,013 vouchers, an overall increase of 21 percent in the number of vouchers of $100 and less that were processed during fiscal year 2005.

Testing Infrastructure Changes

The SAA provides the infrastructure on which FMIS operates, including the mainframe, the database, security hardware and software, the telecommunications network, and a hardware and software installation crew. During 2005 the mainframe operating system was upgraded to the Z/OS operating system. This required that the Disbursing Office test all FMIS subsystems in a testing environment and verify all FMIS subsystems in the production environment after Z/OS was implemented.

Managing and Testing New System Development

During 2005, we supervised development, performed extensive integration system testing and implemented changes to the following FMIS subsystems: Web FMIS; Senate Vendor Information (SAVI) and Online ESR; and Checkwriter.

Web FMIS

Over the last two years, updates and simplification of the underlying technology of Web FMIS has occurred, basically replacing all Visual Basic Client/Server and Cold Fusion Web technology with WebSphere web pages thereby creating a "thin client" application that can be accessed via an intranet browser. In August 2004, Web FMIS r9.0 for pilot offices was implemented, which is a complete rewriting of the Web FMIS functionality using all intranet based pages. By the end of April, all Web FMIS users were using the intranet version of Web FMIS. During 2005, Web FMIS was improved and augmented in the following releases:

—*Web FMIS r9.1.*—Implemented in November 2004, addressed additional functionality identified by the pilot offices. This was provided to new offices of the 109th Congress.
—*Web FMIS 10.0.*—Implemented in February 2005, added a security certificate to the Web FMIS web site (i.e., adding the "S" to https://webfmis.senate.gov) and changed the extracts for the nightly Web FMIS reporting cycle to use table-driven parameters rather than hard-coded ones.

—*Web FMIS 10.1.*—Implemented in April 2005, provided report and document printing via Adobe, standard Senate software, rather than Web FMIS-specific files. This completed moving Web FMIS to the "zero-client" platform, an important milestone in providing critical systems in a disaster situation. With this release the Rules Committee Audit staff moved from client-server based screen to intranet-based pages for their functions, and Disbursing staff began using "standard notepad text" to document corrections made to vouchers. Additionally, this release addressed performance issues resulting from r10.0.

—*Web FMIS r10.2.*—Implemented in July 2005 focused on additional functionality for the Office, including new pages for the Disbursing Inbox and Document Review functions, and enhancements to the Advice of Change process and streamlined the document approval process.

—*Web FMIS r10.2.1.*—Implemented in October 2005, fixed bugs in the Disbursing functions.

—Web FMIS r10.3—Implemented in January 2006 (but included here because most of the work on the release was done in 2005), updated the technology for and provided more functionality on the inbox pages and the travel reimbursement mileage rate maintenance page. Additional functionality was added to the Documents/Create page and the Budget page, and bugs were fixed.

During 2005, work continued with Bearing Point to define the requirements for additional functionality required for the two Web FMIS releases planned for 2006:

—*Web FMIS r11.*—Planned for Spring 2006, will add the ability to "import" invoice data from an outside vendor in order to create a voucher with minimal re-typing. (This process is similar to the "import" process by which data from an online ESR, created via SAVI, is used to create a travel voucher.

—*Web FMIS r12.*—Planned for late Fall 2006, will be a pilot of paperless voucher processing, which requires adding electronic signature and documentation imaging functionality.

Senate Automated Vendor Inquiry (SAVI) and Online ESR

SAVI enables Senate staff to check the status of reimbursements, whether via check or direct deposit referencing an on-line ESR. The Online ESR function enables Senate staff to create expense summary reports, both travel and non-travel. These documents can be imported into Web FMIS, reducing the data entry tasks for voucher preparation. The SAVI system was upgraded once in 2005. Release 3.2, implemented in May 2005, enabled use of SAVI by Macintosh computer users.

Checkwriter

The Disbursing Office makes payments via direct deposit and via check using the Checkwriter software. No changes were implemented to the Checkwriter software in 2005, but Checkwriter release 6, which rewrites the security component, will be tested in early 2006, with implementation tentatively scheduled for summer 2006.

Planning

The Disbursing Office IT group performs two main planning activities:

—Schedule coordination—planning and coordinating a rolling 12-month schedule; and

—Strategic planning—setting the priorities for further system enhancements.

Schedule Coordination

In 2005, two types of meetings were held among Disbursing, SAA and Bearing Point staff to coordinate schedules and activities. These are:

—Project specific meetings—a useful set of project specific working meetings, each of which has a weekly set meeting time and meets for the duration of the project (e.g., Document Purge meetings and Web FMIS requirements meetings); and

—Technical meeting—a weekly meeting among the DO staff (IT and functional), SAA Technical Services staff, and Bearing Point to discuss active projects, including scheduling activities and resolving issues.

Strategic Planning

The FMIS strategic plan has a longer time horizon than the rolling 12-month time frame of the technical meeting schedule. It is designed to set the direction and priorities for further enhancements. In 2002 a five-year strategic plan was written by the IT and Accounting staff for Disbursing Office Strategic Initiatives. This detailed description of five strategic initiatives formed the base for the Secretary of the Senate's request for $5 million in multi-year funds for further work on the FMIS project. The five strategic initiatives are:

—*Paperless Vouchers—Imaging of Supporting Documentation and Electronic Signatures*.—Beginning with a feasibility study and a pilot, implement new technology, including imaging and electronic signatures, that will reduce the Senate's dependence on paper vouchers. This will enable continuation of voucher processing operations from any location, should an emergency occur;
—*Web FMIS—Requests from Accounting Locations*.—Respond to requests from the Senate's Accounting Locations for additional functionality in Web FMIS;
—*Payroll System—Requests from Accounting Locations*.—Respond to requests from the Senate's Accounting Locations for on-line real time access to payroll data;
—*Accounting Subsystem Integration*.—Integrate Senate-specific accounting systems, improve internal controls, and eliminate errors caused by re-keying of data; and
—*CFO Financial Statement Development*.—Provide the Senate with the capacity to produce auditable financial statements that will obtain an unqualified opinion.

Managing the FMIS Project

The responsibility for managing the FMIS project was transferred to the IT group during the summer of 2003 and includes developing the task orders with contractors, overseeing their work, and reviewing invoices. In 2005 one new task order, the fiscal year 2006 Extended Operational Support was executed. In addition, work continued under two task orders executed in prior years: Web FMIS r10; SAA Finance System and Reporting Enhancements; and Web FMIS Imaging and Digital Signature Design and Electronic Invoicing and Remittance Enhancements.

Administering the Disbursing Office's Local Area Network (LAN)

The Disbursing Office administers its own Local Area Network (LAN), which is separate from the LAN for the rest of the Secretary's office. Our LAN Administrator's activities included: Office-wide LAN Maintenance and Upgrade; and Projects for the Payroll and Benefits Section.

Office-wide LAN Maintenance and Upgrade

Existing workstations were maintained with appropriate upgrades, including: an e-mail upgrade to "Active Directory"; the addition of "SNAP" servers to backup, nightly, our office data in Disbursing and directly to the Office's space at the ACF; work with the SAA staff to upgrade our network speed to 100 mps; and the maintenance of the Office Information Authorization form log which provides easy access from Disbursing staff desktops to up-to-date information about the authorized contacts for each Senate office.

Projects for Payroll and Employee Benefits Sections

The Payroll/Benefits imaging system, developed by SAA staff, and which captures and indexes payroll documents electronically, continues to be supported. This is a critical system for Payroll and Employee Benefits sections.

Coordinating the Disbursing Office's Disaster Recovery Activities

On Saturday, December 3, 2005, the Sergeant at Arms technical staff conducted a disaster recovery test of the Senate's computing facilities, including the Financial Management Information System (FMIS) functions. The test involved switching the Senate's network from accessing systems at the Primary Computing Facility (PCF) to our backup facility, and powering down the PCF.

The SAA's primary purpose was to test the technical process of switching to our backup facility, and only a limited amount of time was available for functional testing. The SAA staff wanted to complete the exercise within a 12-hour window, including the time needed to switch us to the backup facility and back to the PCF. A two-hour functional testing window was expected. In the scenario, FMIS systems and data would be "failed-over" to the backup facility, and made available for testing during the functional testing window. The systems would then be "failed back" to the PCF, but the data would not be "failed back". Consequently, any changes made while testing at the backup facility would not be made to production data.

Disbursing staff set minimal goals of accessing all critical FMIS subsystems. In a two hour functional testing window, the SAA would not have time to run critical batch processes such as those which would enable a single document to be taken from data entry in Web FMIS through payment in FAMIS. Consequently, plans were made to test each on-line step in the process separately. Additionally, the time constraint did not allow any overnight batch processes to be run.

Within the limited scope of the test, most of the critical components of FMIS were tested. A request has been made to the SAA that disaster recovery tests be con-

ducted twice a year and that additional system components be tested at each successive event.

ADMINISTRATIVE OFFICES

1. CONSERVATION AND PRESERVATION

The Office of Conservation and Preservation develops and coordinates programs directly related to the conservation and preservation of Senate records and materials for which the Secretary of the Senate has statutory authority. This includes: deacidification of paper and prints, phased conservation for books and documents, collection surveys, exhibits, and matting and framing for the Senate Leadership.

Over the past year, the Office of Conservation and Preservation has embossed 621 books and matted and framed 532 items for the Senate Leadership. In addition, this office matted and framed 349 items for the 55th Inaugural ceremonies. For more than twenty-four years, the office has bound a copy of *Washington's Farewell Address* for the annual Washington's Farewell Address ceremony. In 2005, a volume was bound and read by Senator Richard Burr.

As mandated in the 1990 *Senate Library Collection Condition Survey*, the Office of Conservation and Preservation continues to conduct an annual treatment of books identified by the survey as needing conservation or repair. In 2005, conservation treatments were completed for 139 volumes of a 7,000 volume collection of House hearings. Specifically, treatment involved recasing each volume as required, using alkaline end sheets, replacing acidic tab sheets with alkaline paper, cleaning the cloth cases, and replacing black spine title labels of each volume as necessary. The Office of Conservation and Preservation will continue preservation of the remaining 3,900 volumes.

This office assisted the Senate Library with 531 books that were sent to the Library Binding section of the Government Printing Office (GPO) for binding. Additionally, the office worked with the Library to facilitate the creation of five exhibits located in the Senate Russell building basement corridor. The Office of Conservation and Preservation also assisted the Senate Curator's staff with special matting and framing required for the World War II exhibit located on the first floor of the Capitol.

This office continues to assist Senate offices with conservation and preservation of documents, books, and various other items. For example, the office is currently monitoring the temperature and humidity in the Senate Library storage areas, the vault and warehouse for preservation and conservation purposes.

2. CURATOR

The Office of Senate Curator, on behalf of the Senate Commission on Art, develops and implements the museum and preservation programs for the United States Senate. The Office collects, preserves, and interprets the Senate's fine and decorative arts, historic objects, and specific architectural features; and exercises supervisory responsibility for the historic chambers in the Capitol under the jurisdiction of the Commission. Through exhibitions, publications, and other programs, the Office educates the public about the Senate and its collections.

Collections: Commissions, Acquisitions, and Management

A painting of Senator George Mitchell was officially unveiled on May 24, 2005 as part of the Senate Leadership Portrait Collection, and a painting of Senator Margaret Chase Smith was unveiled on October 18. Both ceremonies were held in the historic Old Senate Chamber. Other important commissioned works in progress include a portrait of Senator Bob Dole and the Great Compromise mural. Both are projected to be completed in 2006.

Thirty-eight objects were accessioned into the Senate Collection, including the painting *Portrait of a Child with Moth* by Constantino Brumidi; several rare stereoviews of the Senate Chamber from the late 19th century; tickets, passes, and luncheon items related to the 2005 Presidential Inauguration; ephemera from the 200th anniversary celebration of the birth of Constantino Brumidi; and nine albums with images of Senators and Senate staff from the late 18th to the early 20th centuries. One of the nine albums contains rare cabinet cards depicting the 41st Congress made by the Matthew Brady studio, along with autographs of 73 Senators.

In an ongoing effort to locate and recover historic Senate pieces associated with the institution, the Office acquired for the Senate Collection an important painting and a 19th century chair. The painting, *Signing of the First Treaty of Peace with Great Britain* by Constantino Brumidi, is the original sketch for the mural that appears in the Brumidi Corridors above the entrance to S–118. The chair dates to about 1819 and was made by Thomas Constantine for the Senate Chamber. It is

a noteworthy addition to the collection, as only 4 of the original 48 chairs made by Constantine for the Senate are known to exist.

Fifty new foreign gifts were reported to the Select Committee on Ethics and transferred to the Curator's Office. They were catalogued, and are maintained by the Office in accordance with the Foreign Gifts and Decorations Act. Appropriate disposition of 28 objects in the collection was completed following established procedures.

As construction continues on the Capitol Visitor Center (CVC), the Office has worked with a conservator specializing in museum facility planning to develop a collection storage plan for all objects scheduled to move to the designated curatorial storage rooms in the CVC. The plan includes detailed equipment layout and design in order to provide optimal preservation for storing the objects.

The Curator's Office continued with its project to photograph the 102 historic Senate Chamber desks (which includes the 100 on the Senate floor and two desks currently in storage). One set of transparencies will be stored off-site for emergency purposes, while a second working set will be used for the web, image requests, and future publications. Fifty-five desks were photographed in 2005; the project is ahead of schedule and is projected to be completed by August 2006.

In keeping with established procedures, all Senate Collection objects on display were inventoried, noting any changes in location. In addition, as directed by S. Res. 178, the Office submitted inventories of the art and historic furnishings in the Senate to the Rules Committee. The inventories, to be submitted every six months, are compiled by the Curator's Office with assistance from the Senate Sergeant at Arms (SAA) and Architect of the Capitol (AOC) Senate Superintendent.

Conservation and Restoration

A total of 20 objects received conservation treatment in 2005. These included nine Senate Chamber desks, eight oil on canvas paintings, two cabinet card albums, and one manuscript collection.

The initiative to conserve all 100 historic Senate Chamber desks, which began in 1999, was completed. Twice a year, during Senate recess periods, desks were removed from the Senate Chamber and sent out for restoration. Treatment was extensive, and followed a detailed protocol developed to address the wear and degradation of these historic desks due to continued heavy use. In December, the last of the desks was restored. During this project, a condition survey was conducted and completed. The survey emphasized the necessity of installing rubber bumpers to the arms of the Senate Chamber chairs to minimize the damage to the front of the desks caused by the chair arms. That work was also completed this year, and all future chairs will be constructed with bumpers.

After extensive evaluation and research, a scope of work was developed for the conservation of the portrait of George Washington by Gilbert Stuart in the Senate Collection. This project coincided with a major exhibition on Stuart's work at the National Gallery of Art, which afforded the opportunity to consult with experts in the field. The portrait was restored by conservators with extensive knowledge of Gilbert Stuart's paintings; and the frame was also conserved. Restoration has revealed the Senate's portrait to be among the finest of Stuart's paintings of the first president.

Two recently commissioned paintings, Blanche Kelso Bruce and James O. Eastland, were varnished by conservators to enhance and protect the surfaces now that the paint has properly cured.

Another conservation project was related to the microfilming and digitization of the Isaac Bassett Papers, the manuscript collection of a 19th century Senate employee. Prior to microfilming, a conservator carried out the treatment and re-housing of the papers necessary for preservation. The entire effort to microfilm and digitize the collection was completed by the fall of 2005, and will help preserve the original papers in case of disaster, as well as provide reproductions for the use of scholars and other researchers. In addition, the digitized images provided extensive material for the Isaac Bassett website exhibit.

The Office completed the detailed condition and identification survey of the nearly 100 historic mirrors in the Senate wing. The project has significant benefits. The condition assessments will determine priorities for conservation and maintenance treatments; provide information on the age, origin, and importance of the frames; and furnish documentation for disaster planning.

The Curator's staff participated in training sessions for the Capitol Police regarding the care and protection of art in the Capitol, and continued to educate housekeeping personnel on maintenance issues related to the fine and decorative art collections.

Historic Preservation

The Curator's Office worked with the AOC and SAA to review, comment, plan, and document Senate side construction projects that involve or impact historic resources. In addition to receiving planning information from those organizations, the office initiated a procedure for sharing Curator project schedules. This has greatly improved coordination and project execution. Construction and conservation efforts that required considerable review and assistance included: Brumidi Corridor ceiling restoration near S–112; window shutter refinishing; grand stairwell plaster replacement; marble step repair; Brumidi west corridor egress installation; Minton tile replacement; wireless antenna installation; audio alert system; S–324 ceiling recreation; and S–229 renovation.

As part of the S–229 renovation project, there was a request to provide an overmantel mirror for the room. The Office has developed a mirror replication project, to duplicate an historic mirror in the Capitol. The mirror selected for replication was a good example of a particular style, complements the majority of mantels and spaces in the Capitol, and will easily accommodate modifications of size and ornament in any future replications. The new mirror was created and installed.

Requests from Senate offices for information pertaining to room histories, architectural features, and historic images continue to increase. Recent initiatives have greatly improved office response time and depth of knowledge. In addition, the Office is working in partnership with the AOC Curator's Office and the Senate Historical Office to develop a room history program that will produce a definitive and up-to-date history for significant Senate rooms and suites.

Research projects undertaken this year included: the Assistant Democratic Leader's suite; the Democratic Leader's suite; and the Strom Thurmond Room, S–238. Additionally, the Office worked closely with the AOC in the creation of an historic structures report for the Senate vestibule, adjacent stairwell, and small Senate rotunda. This report provides critical documentation regarding the architectural chronology of these important historic spaces.

Historic Chambers

The Curator's staff continued to maintain the Old Senate and Old Supreme Court Chambers, and coordinated periodic use of both rooms for special occasions. By order of the U.S. Capitol Police, the Old Senate Chamber was closed to visitors after September 11, 2001. However, during Senate recesses the historic room is open to tours. Thirty-six requests were received from current Members of Congress for after-hours access to the Chamber. Of special significance was the reenactment swearing-in ceremony for the newly elected Senators of the 109th Congress. Twenty-nine requests were received by current Members of Congress for admittance to the Old Supreme Court Chamber after-hours. Images of the room were provided to the Supreme Court Historical Society for use on a bicentennial coin honoring Chief Justice John Marshall. In addition, C-SPAN used high definition equipment in both chambers to take footage for an historical documentary on the U.S. Capitol, and both rooms were photographed for the CVC interactive exhibitions.

In order to enhance existing documentation and to provide an important resource for future planning, the Office is working closely with the AOC to create condition drawings of the Old Senate Chamber that meet the Historic American Building Survey (HABS) standard. Currently such detailed drawings do not exist for this chamber, or any space within the Capitol, yet this is important historical and archival documentation. When complete, the drawings will be accepted into the HABS national collection at the Library of Congress.

The Office continued to research the origins of one of the Senate's most important art works, the *Eagle and Shield*, in the Old Senate Chamber. This gilded carving, which dates from the early 19th century, has long been an important symbol of the institution. Initial research focused on the style and construction of carved eagles contemporary with the Senate. In addition, contacts were made with museums that house such eagles for further research.

Loans To and From the Collection

A total of 68 historic objects and paintings are currently on loan to the Curator's Office on behalf of Senate leadership and officials in the Capitol. The staff added loans of six paintings for leadership suites, returned five paintings at the expiration of their loan periods to their respective owners, and renewed loan agreements for 29 other objects.

The Office continued to document, photograph, and prepare various Senate Collection objects planned for exhibition in the CVC. Several of the objects (from an oil painting to a silver snuff box) will require conservation prior to installation in the exhibit hall, and the Curator's office is assisting in this conservation.

Since 1982 the Senate has loaned a major historical painting, *The Battle of Chapultepec* by James Walker, to the Marine Corps Historical Museum in Washington, D.C. Originally the painting was displayed in the West Grand Stairway of the Senate wing from 1858 until 1961. The Marine Corps relocated to a new museum facility in 2005, terminating the Senate loan. Given the painting's size, the Curator's Office was tasked to identify another location for the painting. This historic work will be relocated to the Thomas Gilcrease Institute of American History and Art in Tulsa, Oklahoma, in early 2006. The Gilcrease Museum will provide an excellent venue for continued public display of the painting within the context of the history of the southwest region of the country. Development of a plan to safely remove the painting from display and transport it to its new location was greatly enhanced by consultation with the conservator on the Senate Curatorial Advisory Board.

The Secretary's china was distributed and returned four times in 2005. It was used for the Inaugural luncheon, as well as the First Lady's luncheon. The inventory was increased with the acquisition of 85 cups and saucers. The official Senate china was inventoried and used at 41 receptions for distinguished guests.

Publications and Exhibitions

The Curator's Office finalized the content and design for the *United States Senate Catalogue of Graphic Art*. The publication is scheduled for 2006. The volume features the Senate's collection of more than 900 historic engravings and lithographs, and includes two full-length essays and almost 40 short essays discussing selected prints. The Senate Curator and Associate Senate Historian co-authored the publication. It is a companion volume to the *United States Senate Catalogue of Fine Art*, published in 2003.

As part of an ongoing program to provide information about the Capitol's art and historic spaces, three new information panels were installed for the following paintings: *The Florida Case before the Electoral Commission*; *The Battle of Lake Erie*; and *First Reading of the Emancipation Proclamation by President Lincoln*.

In July 2005, to commemorate the 200th anniversary of the birth of artist Constantino Brumidi, the office de-installed the popular photographic exhibition, *World War II: The Senate and the Nation's Capital* and installed *To Make Beautiful the Capitol: Birds of the Brumidi Corridors*. This exhibition places in context the myriad of ornithological species that were painted by Brumidi and his team of artists. An online version of the exhibit was also developed for the Senate.gov website.

Several other internet exhibits were posted including, Presidential Inaugurations: Invitations and Tickets in the U.S. Senate Collection and *Inaugural Luncheons*. The Office received delivery of the program files for two major websites, *Isaac Bassett: A Senate Memoir*, and *The Senate Chamber Desks*. Both were developed in conjunction with the Secretary's webmaster and a contractor. *Isaac Bassett* features selections from the Isaac Bassett manuscript collection, with illustrations from the Senate's collection of art and historical objects. It highlights life in the 19th century Senate based on Bassett's personal observations and recollections. His unique position as a trusted, long-time employee of the Senate and close confidant of many Senators make the stories he included in his memoir both engaging and enlightening. The website features actual images of Bassett's handwritten notes and an interactive time line.

The Senate Chamber Desks website chronicles the history of these historic furnishings, many of which date back to 1819. Viewers will see where each Senator sits and learn specific information about each desk: biographical information on the Senators who have occupied it; conservation and restoration information; and traditions and historical facts. This site will be launched in 2006, and updated at the beginning of each Congress to provide current information.

Another educational project was the development of an oral history program related to the Senate's art and historical collections. Artists were interviewed to gain valuable knowledge regarding recently commissioned portraits and this information will be posted on the Senate website in the near future.

Adding to its presence on Senate.gov, the Office published the essays of the 160 pieces of art in the *United States Senate Catalogue of Fine Art*. Several popular brochures were reprinted in 2005, and the office continued to be a significant contributor to *Unum*, the Secretary of the Senate's newsletter.

Policies and Procedures

Meetings were held with the new Senate Curatorial Advisory Board. Composed of respected scholars and curators, this 12-member board was established to provide expert advice to the Commission regarding the Senate's art and historic collections and preservation program, and to assist in the acquisition and review of new objects for the collections.

In 2005 the Senate passed legislation codifying the Senate Leadership Portrait Collection, which honors past majority and minority leaders and presidents pro tempore of the Senate. These portraits are to be commissioned after the leaders have completed their service. The resolution also provides that the portraits may hang in the Senate Chamber Lobby at the direction of the Senate.

An electronic tracking system was developed to record progress through the steps of the accessioning process for new additions to the Senate Collection. The system allows reports to be generated that identify what types of documentation have been prepared and what remains to be completed for each new accession.

Collaborations, Educational Programs, and Events

As part of the celebration of the 200th anniversary of the birth of artist Constantino Brumidi on July 26, 2005, the Curator's Office promoted various Senate activities honoring Brumidi. As well as developing the exhibit on the birds of the Brumidi Corridors, the Office worked in partnership with Senate and AOC offices to generate articles and information panels about Brumidi's importance and contributions to the Capitol, and to sponsor special tours highlighting the artist's work.

The Senate Curator and staff gave lectures on the Senate's art and historical collections to various historical societies and art museums, including George Washington University, the Federal Preservation Institute, and the U.S. Capitol Historical Society.

Office Administration

The project to microfiche and digitize the collection object files was completed. These files are the primary legal title, research, and management records for all art and historical objects owned by the Senate and maintained by the Commission on Art. This project also serves important disaster recovery and archival preservation functions. Copies of the microfiche and digital records will be kept off-site for disaster recovery and archival purposes. Additional copies will be used on-site for research and public information in order to lessen the wear and tear on the original paper records.

The Senate Support Facility was completed. The Curator's Office worked for several years with the Sergeant at Arms to develop a space within the warehouse that meets the stringent requirements for storing fine and decorative art. Environmental testing for the museum-quality storage area is now underway, and relocation of collection objects to this space is scheduled for the summer of 2006. The office moved its non-collection items to the new warehouse, including exhibit and art shipping materials, and publications. These items were re-inventoried and new tracking numbers assigned.

Automation

The Office continued to improve its electronic collection management database to provide more efficient and accurate data recording and searches. The addition of several fields to record inventory location, date, and reviewer is one such change that improves the information regarding the current and previous locations for objects. The registration department also implemented an electronic tracking system to improve the accuracy and efficiency of loan renewals.

In addition, the Office researched electronic systems that monitor temperature and relative humidity, to assure the stability of all objects on display and in storage. The ideal system will continuously download data for analysis and provide instant notification via phone, e-mail and/or blackberry when environmental conditions undergo a sudden and potentially damaging change. Staff worked with Senate Security on the initiative. Procurement and installation of the system may occur in 2006.

In an effort to integrate new technologies, improve research capabilities, and address preservation concerns, the Office is developing an organization plan and procedures that will affect all types of files and media collected and maintained. The results will greatly improve response time to information requests, search capabilities for researchers, and the condition of significant reference materials. Related to this effort was the installation of an image management server. This service allows staff to store the many large-sized image files that are so vital to the Office's mission, enables the images to be archived regularly, and prevents the immense number of items from clogging bandwidth time and storage space on the Secretary's LAN servers.

Objectives for 2006

A major initiative will be to relocate Senate Collection items to the new SAA offsite warehouse facility. Work will include: developing an object tracking system; reviewing the SAA warehouse inventory system, access procedures, and protocol; ensuring all equipment, HVAC, and security needs are functioning; coordinating the

move with the assistance of fine art handlers; and developing a procedural document regarding the storage of collection objects at the SAA warehouse.

The Office also will prepare for moving collection objects in 2007 to the two new CVC storage spaces. Based on the recently completed Collection Storage Plan, museum-quality storage equipment will be ordered to house collection objects in these new spaces. Objects in need of archival re-housing will be identified, prioritized, and re-housed in preparation for the move.

The Curator's environmental monitoring systems will be assessed in all locations where collections are displayed or stored. Temporary systems will be installed for evaluation, and following testing, a comprehensive program will be recommended and implemented as appropriate.

An integrated pest management plan will be prepared for all storage spaces where collection items are located. The plan will include procedures for preparation of objects for storage, monitoring of conditions, and developing contacts and resources for disaster recovery.

Conservation and preservation concerns continue to be a priority. Projects in 2006 will include the treatment of several historic paintings and frames, as well as objects for new CVC exhibits. *The Battle of Chapultepec* will be relocated to the Gilcrease Museum in Oklahoma. The Office will build on the information generated by the recently completed mirror survey and develop a plan for the conservation and maintenance of the Senate's historic mirror collection. The restoration of the painting, *First Reading of the Emancipation Proclamation*, by F.B. Carpenter, is now projected to be completed in 2006. Additionally, the Office will focus on the Senate's recently acquired Cornelius & Baker armorial chandelier. Following a condition assessment, the office will work with the Senate Curatorial Advisory Board to review treatment options and recommend a plan for the chandelier to the Commission on Art.

The Office will advance efforts to commission portraits of Senators Byrd, Lott, and Daschle. Unveilings are projected for the portrait of former Senator Bob Dole and the Great Compromise mural.

The Isaac Bassett Papers manuscript collection will be deposited at the National Archives and Records Administration (NARA). Initial meetings have been held with NARA to discuss organization and storage of the collection along with logistical considerations. As a result of the recently completed microfilming project, the office will submit the original collection, microfilm and digital copies of the papers, and extensive indexes for use by future researchers.

The Curator's staff will undertake a comprehensive and detailed survey of the Senate Chamber chairs. While the Senate Chamber desks have been studied extensively, the accompanying chairs, which date from various eras, have never been fully examined. It is hoped that this study will enable the identification and preservation of important chairs that still remain in the Senate.

Collection activities will also include efforts to locate and recover significant historic Senate pieces. Investigations were conducted in 2005 to locate partner desks and other furniture made by George Cobb for the Russell Senate Office building in 1909. A total of twelve desks were identified outside the Senate, and are either in private collections or on display in museums.

In the area of education, the *United States Senate Catalogue of Graphic Art* will be published. The Office will produce a brochure for S–238, the Strom Thurmond Room. Also related to room histories, staff will continue to work with the AOC Curator's Office and Senate Historical Office to finalize the room history program.

The Office will embark on a reorganization of the Senate art website to provide easier, more intuitive access to the Senate's art, historical collections, and online exhibits and publications. This task will be undertaken in coordination with Senate webmaster and Senate Library staff, and will be an important early step in creating and organizing the Senate's web content according to standardized metadata.

The Senate Preservation Board of Trustees will hold its first meeting, and the Senate Curatorial Advisory Board will continue to meet biannually. The Office will work with the Senate Curatorial Advisory Board to review and report on several preservation projects including: the historic structures report for the Senate vestibule, adjacent stairwell, and small Senate rotunda; the preservation of the Minton tile floors; and the current HABS-standard drawing documentation project.

Work is underway to develop a five-year strategic plan for the Office of Senate Curator. This will be an important document for the Office as it moves forward with its many conservation, preservation, and education initiatives. Additionally, the Senate Curator's Continuity of Operations Plan (COOP) will be reevaluated, tabletop exercises conducted, and the COOP document updated.

3. JOINT OFFICE OF EDUCATION AND TRAINING

The Joint Office of Education and Training provides employee training and development opportunities for all Senate staff. There are three branches within the department. The technical training branch is responsible for providing technical training support for approved software packages used in either Washington or the state offices. This branch's computer training staff provides instructor-led classes; one-on-one coaching sessions; specialized vendor-provided training; computer-based training; and informal training and support services. The professional training branch provides courses for all Senate staff in areas including management and leadership development, human resources issues and staff benefits, legislative and staff information, new staff and intern information. The Health Promotion branch provides seminars, classes and screenings on health related and wellness issues. This branch also coordinates an annual Health Fair for all Senate employees and four blood drives each year.

Training Classes

The Joint Office of Education and Training offered 405 classes in 2005; 5,982 Senate employees participated in these classes. This office's registration desk handled 31,960 requests for training and documentation.

Of the above total, in the Technical Training area 187 classes were held with a total attendance of 1,521 students. An additional 770 staff received coaching on various software packages and other computer related issues.

In the Professional Development area 218 classes were held with a total attendance of 4,461 students. Individual managers and supervisors are also encouraged to request customized training for their offices on areas of need.

The Office of Education and Training is available to work with teams on issues related to team performance, communication or conflict resolution. During 2005, over 50 requests for special training or team building were met. Professional development staff also traveled to state offices to conduct specialized training and team building. During the last quarter of the year, we offered training via video teleconferencing to two state offices and plan to continue this practice.

In the Health Promotion area, 1,240 Senate staff participated in Health Promotion activities throughout the year. These activities included: cancer screening, bone density screening and seminars on health related topics. Additionally 1,492 staff participated in the Annual Health Fair held in September.

The Joint Office of Education and Training has been actively working with the Office of Security and Emergency Preparedness to provide security training for Senate staff. In 2005, the Office of Education and Training coordinated 63 sessions of escape hood and other security-related training for 1,010 Senate staff.

State Training

Since most of the classes that are offered are only practical for D.C. based staff, the Office of Education and Training continues to offer the "State Training Fair" which began in March 2000. In 2005, three sessions of this program were offered to 119 state staff. This office also conducted our annual State Directors Forum for the second year and 37 attended. In addition, this office has implemented the "Virtual Classroom" which is an internet based training library of 300+ courses. To date, 379 state office and Washington, D.C. staff are accessing a total of 500 different lessons using this training option.

4. CHIEF COUNSEL FOR EMPLOYMENT

Background

The Office of the Senate Chief Counsel for Employment (SCCE) is a non-partisan office established at the direction of the Joint Leadership in 1993 after enactment of the Government Employee Rights Act ("GERA"), which allowed Senate employees to file claims of employment discrimination against Senate offices. With the enactment of the Congressional Accountability Act of 1995 ("CAA"), Senate offices became subject to the requirements, responsibilities and obligations of 11 employment laws. The SCCE is charged with legal defense of Senate offices in employment law cases at both the administrative and court levels. Also, on a day-to-day basis, the SCCE provides legal advice to Senate offices about their obligations under employment laws. Accordingly, each employing office of the Senate is an individual client of the SCCE, and each office maintains an attorney-client relationship with the SCCE.

The areas of responsibilities of the SCCE can be divided into the following categories: Litigation (Defending Senate Offices in Federal Courts); Mediations to Resolve Lawsuits; Court-Ordered Alternative Dispute Resolutions; Union Drives, Negotiations, and Unfair Labor Practice Charges; OSHA/Americans With Disability Act

("ADA") Compliance; Layoffs and Office Closings In Compliance With the Law; Management Training Regarding Legal Responsibilities; and Preventive Legal Advice.

Litigation; Mediations; Alternative Dispute Resolutions

The SCCE represents each of the employing offices of the Senate in all court actions (including both trial and appellate courts), hearings, proceedings, investigations, and negotiations relating to labor and employment laws. The SCCE handles cases filed in the District of Columbia and cases filed in any of the 50 states.

OSHA/ADA Compliance

The SCCE provides advice and assistance to Senate offices by assisting them with complying with the applicable OSHA and ADA regulations; representing them during Office of Compliance inspections; advising State offices on the preparation of the Office of Compliance's Home State OSHA/ADA Inspection Questionnaires; assisting offices in the preparation of Emergency Action Plans; and advising and representing Senate offices when a complaint of an OSHA violation has been filed with the Office of Compliance or when a citation has been issued.

In 2005, the SCCE conducted 131 OSHA/ADA inspections of Senate offices to ensure compliance with the CAA.

Management Training Regarding Legal Responsibilities

The SCCE conducts legal seminars for the managers of Senate offices to assist them in complying with employment laws.

In 2005, the SCCE gave 56 legal seminars to Senate offices. Among the topics covered were:

—An Overview of the Congressional Accountability Act of 1995: Management's Rights and Obligations;
—Preventing Sexual Harassment in the Workplace;
—How to Interview and Hire the Best Employee Without Violating the Law;
—How to Conduct Background Checks, Reference Checks and Drug Testing Without Violating the Law;
—Complying with Immigration Laws: I–9 and the Basic Pilot Program for Employment Eligibility Confirmation;
—Labor-Management Overview: Union Post-Election Procedures;
—Complying with the Americans with Disabilities Act of 1990;
—Management's Legal Obligations to Give Military Leave to Employees;
—Legal Pitfalls in Evaluating, Disciplining and Firing Employees;
—How to Comply with the Family and Medical Leave Act.

In addition, in 2005, the SCCE prepared new videos to accompany its harassment seminar. This involved writing the scripts, recruiting Senate employees to participate, training the "actors," and working with the Recording Studio to direct, record, edit and finalize the vignettes. The purpose of the vignettes is to illustrate points raised during the harassment seminar with examples that are Senate-specific. The SCCE has received extremely positive feedback from Members' offices at which the harassment seminars have been given using these new videos.

Preventative Legal Advice

The SCCE meets with Members, Chiefs of Staff, Administrative Directors, Office Managers, Staff Directors, Chief Clerks and General Counsels at their request. The purposes are to ensure compliance with the law, prevent litigation and minimize liability in the event of litigation. For example, on a daily basis, the SCCE advises Senate offices on matters such as disciplining and/or terminating employees in compliance with the law, handling and investigating sexual harassment complaints, accommodating the disabled, determining wage law requirements, meeting the requirements of the Family and Medical Leave Act, and management's rights and obligations under union laws and OSHA.

Administrative/Miscellaneous Matters

The SCCE provides legal assistance to employing offices to ensure that their employee handbooks/office policies, supervisors' manuals, job descriptions, interviewing guidelines, and performance evaluation forms comply with the law

Union Drives, Negotiations, and Unfair Labor Practice Charges

In 2005, the SCCE handled one union drive and assisted in negotiations with another union. With respect to the union drive, the SCCE trained managers and supervisors regarding their legal obligations during a union campaign, advised the client in selecting its representatives for the election and conducted training sessions for the employer representatives regarding proper conduct at elections.

Layoffs and Office Closings in Compliance with the Law

The SCCE provides advice and strategy to individual Senate offices regarding how to minimize legal liability in compliance with the law when offices reduce their forces. In addition, pursuant to the Worker Adjustment and Retraining Notification Act (WARN Act), offices that are closing must follow certain procedures for notifying their employees of the closing and for transitioning them out of the office. The SCCE tracks office closings and notifies those offices of their legal obligations under the WARN Act.

5. SENATE GIFT SHOP

The Senate Gift Shop was established under administrative direction and supervision of the Secretary of the Senate (SOS) in October 1992, (United States Code, Title 2, Chapter 4). With each successive year since its establishment the Senate Gift Shop has continued to provide outstanding products and services that maintain the integrity of the Senate as well as increase the public's awareness of the mission and history of the U.S. Senate. The Gift Shop provides products and services to Senators, their spouses, staffs, constituents, and visitors. Products include a wide variety of souvenirs, collectibles and fine gift items created exclusively for the U.S. Senate. Services include special ordering of personalized products, custom framing, gold embossing, engraving and shipping. Additional services include the distribution of educational materials to both tourists and constituents visiting the Capitol and Senate Office Buildings. New this year is the Senate Gift Shop's presence on Webster.

Facilities

For several years the Senate Gift Shop offered over-the-counter sales to walk-in customers at a single location. Today, after more than a decade of operation, the Gift Shop provides products and services from three locations.

In addition to the three physical locations, the Gift Shop has developed an online presence on Webster. The intranet site currently offers only a limited selection of products that may be ordered either by phone or by printing and faxing the on-site order form. Long-term plans are to grow this site to include a greater sample of merchandise offered in the Gift Shop's physical locations and to eventually migrate to an e-commerce website with online transactions. Along with offering over-the-counter, walk-in sales, and limited intranet services, the Gift Shop Administrative Office provides mail order service, special order and catalogue sales.

The Gift Shop also maintains two warehouse facilities. While the bulk of its overstock is currently held in an off-site storage facility, a portion of the Gift Shop's overstock is maintained in the Hart Building warehouse facility. This space also accommodates the Gift Shop's receiving, shipping, and engraving departments.

Operational plans for the off-site facility include having most, if not all, Gift Shop product delivered, received and stored at this location until the need for transfer to Gift Shop locations. Although the overall management of the warehouse is through the Sergeant at Arms (SAA), the Director of the Gift Shop has responsibility for the operation and oversight of the interior spaces assigned for Gift Shop use. Storing inventory in a centralized, climate-controlled facility that is managed by the SAA will provide better protection for the Gift Shop's valuable inventory in terms of increased and steadfast security as well as prolonged shelf life for product.

Sales Activity

Sales recorded for fiscal year 2005 were $1,591,244.36. Cost of goods sold during this same period was $1,006,655.30, accounting for a gross profit on sales of $584,589.06.

In addition to tracking gross profit from sales, the Senate Gift Shop maintains a revolving fund and a record of inventory purchased for resale. As of October 1, 2005, the balance in the revolving fund was $1,833,614.70 and the inventory purchased for resale was valued at $2,295,554.07.

Additional Activity

The contractor selected to provide the hardware and system installation of the new retail and financial management system has completed its contractual obligations to the Senate Gift Shop with the final deliverables completed in 2005. The contractor will continue to provide hardware and software support for the retail system.

Accomplishments and New Products in Fiscal Year 2005

Official Congressional Holiday Ornaments

The year 2005 marked the conclusion of the Gift Shop's third consecutive "four-year ornament series." Each ornament in the 2002–2005 series of unique collectibles features an architectural milestone of the United States Capitol and is packaged

with corresponding historical text taken from the book, *History of the United States Capitol: A Chronicle of Design, Construction, and Politics* by William C. Allen, Architectural Historian for the Architect of the Capitol.

The 2005 ornament pictures the Capitol's West Front with particular emphasis on the newly landscaped lawn and terraces. Congress authorized the landscape improvements in 1873, and on June 23, 1874, passed an act to hire the first landscape architect of the United States Capitol, Frederick Law Olmsted. Olmsted's idea for redesigning the landscape of the Capitol grounds is illustrated in a drawing titled "General Plan for the Improvement of the Capitol Grounds." In keeping with a Gift Shop tradition, the authentic colors of the original drawing were reproduced onto a white porcelain stone and set with a brass frame finished in 24kt gold.

Sales of the 2005 holiday ornament exceeded 32,000 ornaments of which more than 7,400 were personalized with engravings designed, proofed and etched by Senate Gift Shop staff. This highly successful effort was made possible by the combined effort of our administrative, engraving, and store staffs. Additional sales of this ornament and ornaments from previous years are expected to continue throughout 2006. Sales revenue from this year's ornament, as in previous years, helps to provide scholarship funds for the Senate Child Care Center.

The theme for the Gift Shop's fourth series of ornaments, which will run from 2006–2009, is currently in development with production of the 2006 ornament targeted for this summer and sale of the ornament expected to begin in September 2006.

China Porcelain Boxes

The final porcelain "Brumidi" box in a set of four was completed and released for sale in 2005. Each box displays a different image from the Constantino Brumidi frescoes taken from the ceiling of the President's Room in the Senate Wing of the United States Capitol. The individual boxes of the series include the allegorical figures: Liberty, Legislation, Executive Authority and Religion. These porcelain boxes, exclusive to the Senate Gift Shop, will be popular collector items for many years to come.

Projects and New Initiatives for 2006

History of the Capitol

The Gift Shop will purchase for resale the book, *History of the Capitol*, (H. Doc. 108–240) by Glenn Brown. When the GPO publication is released for sale to distributors and retailers in 2006, the Gift Shop plans to purchase a substantial quantity to ensure availability to its customers for an extended period of time.

Congressional Plates

The series of Official Congressional Plates continued in 2005 with new design features beginning with the 108th Congress plate, which became available for sale this past year. The balance of the series includes plates commemorating the 109th, 110th and 111th Congresses. The design stage for the remaining plates has concluded and prototypes for the final three are being produced by Tiffany & Co.

Constantino Brumidi Birthday Celebration

The year 2005 marked the 200th Birthday of Constantino Brumidi, "The Artist of the Capitol." In celebration of this special occasion, the staff of the Gift Shop worked closely with the staff of the Curator's Office on an initiative to add to our collection of Brumidi-inspired merchandise. The new products include a designer collection of note cards depicting images of birds taken from the frescoes gracing the walls of the Capitol's Brumidi corridors. Other products featuring Brumidi's artwork that are currently offered for sale in the Senate Gift Shop include neckties, scarves, round porcelain boxes and the book *Brumidi "Artist of the Capitol."* Additional Brumidi pieces are in production.

Intranet/Webster

The Webster intranet website for the Gift Shop continues to be enhanced. Primary considerations include website policy, design and layout, content and products to be included. Meetings concerning the creation and expansion of the Gift Shop's website are ongoing with other Secretary departments. The Gift Shop's intends to incorporate links to the offices of the Historian, Curator and Senate Library so that visitors to the website will have ready access to additional educational information.

Capitol Complex Lumber

In the fall of 2001 the construction of the Capitol Visitor Center (CVC) required the removal of many trees from the Capitol complex. During this time, Allegany Wood Products (Allegany) of Petersburg, West Virginia, assisted in determining the

best method for the recover and transport of the felled trees. Arrangements were made for a local West Virginia trucking company to travel to Washington, D.C., to pick up and haul the cut trees to one of Allegany's lumber mills, where the trees could be rough cut and kiln dried, a process which makes possible the preservation and long-term storage of the lumber. The stored lumber approximating 12,000 board feet is now being inventoried and segregated by species. Plans to determine the most appropriate use for the lumber will be developed this year. Preliminary ideas involve using a quantity of wood to create "official products" such as presentation, gift and commemorative items.

6. HISTORICAL OFFICE

Serving as the Senate's institutional memory, the Historical Office collects and provides information on important events, precedents, dates, statistics, and historical comparisons of current and past Senate activities for use by members and staff, the media, scholars, and the general public. The Office advises Senators, officers, and committees on cost-effective disposition of their non-current office files and assists researchers in identifying Senate-related source materials. The Office keeps extensive biographical, bibliographical, photographic, and archival information on the 1,885 former Senators. It edits for publication historically significant transcripts and minutes of selected Senate committees and party organizations, and conducts oral history interviews with key Senate staff. The photo historian maintains a collection of approximately 40,000 still pictures that includes photographs and illustrations of Senate committees and most former Senators. The Office develops and maintains all historical material on the Senate website.

Editorial Projects

Biographical Directory of the U.S. Congress, 1774–2005.—A new edition of the *Biographical Directory of the U.S. Congress* has just been published. In May 2003, both houses of Congress adopted H. Con. Res. 138, authorizing printing of an updated and expanded edition of the *Biographical Directory of the United States Congress, 1774–2005*. The first edition of this indispensable reference source was published in 1859; the most recent edition appeared in 1989. This latest publication is the 16th edition. Since 1989, the assistant historian has added many new biographical sketches, expanded bibliography entries, and revised and updated most of the database's nearly 2,000 Senate and vice-presidential entries. In preparation for the 2005 edition, the assistant historian and historical editor updated the Congress-by-Congress listing of members through the 108th Congress and updated the listing of executive branch officers. The assistant historian completed the editing and proofing of all Senate-related information, coordinating with the House Office of History and Preservation and the Government Printing Office. The assistant historian also continues to edit and update all existing information for the online version of the *Biographical Directory* (http://bioguide.congress.gov) to allow for expanded search capabilities, maintain accuracy, and incorporate new information and scholarship.

Administrative History of the Senate.—Throughout 2005, the assistant historian continued to research and write chapters of this historical account of the Senate's administrative evolution. This study traces the development of the offices of the Secretary of the Senate and Sergeant at Arms, considers 19th and 20th century reform efforts that resulted in reorganization and professionalization of Senate staff, and looks at how the Senate's administrative structure has grown and diversified over the past two centuries. In particular, during the past year the assistant historian completed the work's pivotal third chapter, which explores the Senate's administrative history from 1836 to 1861, when Asbury Dickins was Secretary of the Senate. During this period, the first major administrative reform effort was launched, resulting in an expanded and more professional work force.

"The Idea of the Senate".—For more than two centuries, Senators, journalists, scholars, and other first-hand observers have attempted to describe the uniqueness of the Senate, emphasizing the body's fundamental strengths, as well as areas for possible reform. From James Madison in 1787 to Robert Caro in 2002, sharp-eyed analysts have left memorable accounts that may help modern Senators better understand the Senate in its historical context. Pulitzer Prize-winning journalist Allen Drury's 1943 comment about the Senate of his day—"There is a vast area of casual ignorance concerning this lively and appealing body"—retains a ring of truth for modern times. The "Idea of the Senate" project will identify up to 40 major statements by knowledgeable observers. Each of the 40 brief chapters in the resulting publication will include a 500-word quotation and an essay that identifies the background of the observer and places the quotation in the context of the times in which it was written.

"Rules of the United States Senate, Since 1789".—In 1980, Parliamentarian Emeritus Floyd M. Riddick, at the direction of the Senate Committee on Rules and Administration, prepared a publication containing the eight separate codes of rules that the Senate adopted between 1789 and 1979. In the early 1990s, the Senate Historical Office, in consultation with Dr. Riddick, developed a project to incorporate an important feature not contained in the 1980 publication. Beyond simply listing the eight codes of rules, our goal is to show how the Senate's current rules have evolved from earlier versions, including rules both added and dropped between codifications. Some modern Senate rules have their origins in the first code of rules that the Senate adopted in 1789. Many of those first rules can be traced to even earlier times—to rules Thomas Jefferson prepared in 1776 for the Continental Congress. This work, to be completed within the coming year, will contain the original text of all standing rules, beginning with those the Senate adopted on April 16, 1789. It will reprint each of the seven subsequent codifications (1806, 1820, 1828, 1868, 1877, 1884, and 1979) along with changes adopted between each codification. Appendices will contain related rules of the Continental Congresses, the Maryland General Assembly (1777), the Senate of the Confederate States of America, Senate Impeachment Rules from 1798, and the abandoned joint rules of Congress. Footnotes and sidebars will provide brief explanations of the reasons for significant changes.

"Senate Stories: 200 Notable Days, 1787–2002".—This publication will present 200 brief stories featuring the Senate's best-loved and most notorious former members, its triumphs and tragedies, and some lesser-known moments that reflect the Senate's character as the "World's Greatest Deliberative Body." Readers will learn how the Senate was created, who became the first cabinet member to be confirmed (and the first rejected), how decorum was not always strictly maintained on the Senate floor, and how a certain Senator's toupee signaled a change in the seasons. These 200 historical essays are drawn from a larger number prepared during an eight-year period for weekly delivery to an audience of several dozen senators. Those Senators appeared to appreciate these essays for adding historical context to their daily responsibilities. Historical Office staff researched and compiled sources and photographs for each essay to be included in the publication.

Joint Congressional Committee on Inaugural Ceremonies (JCCIC).—In 2005, Historical Office staff assisted with preparations and editing of printed materials, followed up on questions and reference requests forwarded to them by the JCCIC, made minor changes to the Web site as needed, and assisted the Recording Studio with preparing and editing text for the 2005 Inaugural video. Staff participated in an on-camera interview, responding to historical questions about presidential inaugurations, for use in the Inaugural video. Staff continues to maintain the Inaugural website as stewards until the next JCCIC forms in 2008.

Oral History Program

The Historical Office conducts a series of oral history interviews that provide personal recollections of various Senate careers. This year, interviews were completed with Leonard Weiss, former staff director of the Governmental Affairs Committee; Timothy Wineman, Senate Financial Clerk; and Dennis W. Brezina, former staff member of the Subcommittee on Government Research. Several interviews are in progress, and the interviews of Chuck Ludlam, former staff member of the Separation of Powers Subcommittee, have been processed and opened for research. The complete transcripts of 20 interviews have also been posted on the Senate's Web site.

Member Services

Members' Records Management and Disposition Assistance.—The Senate archivist continued the program of assisting members' offices with planning for the preservation of their permanently valuable records, emphasizing the importance of managing electronic records, and transferring valuable records to a home-state repository. The archivist began revising the *Records Management Handbook for United States Senators and Their Archival Repositories*. The archivist continued to work with staff from all repositories receiving senatorial collections to ensure adequacy of documentation and the transfer of appropriate records with adequate finding aids. The archivist provided briefing materials to transition offices and met with staff. The archivist conducted a seminar on records management for Senate offices and participated in the Senate Services Fair. The archivist participated in a panel discussion at the annual meeting of the Association of Centers for the Study of Congress on "Developing a Collaborative Approach to Web-Based Content (for congressional papers collections)," and also in the second symposium sponsored by the John H. Brademas Center for the Study of Congress at New York University, which focused on the development of a policy for the papers of public officials. The archivist orga-

nized and led a session on procedures for handling classified documents that are discovered in members' collections after they have been donated to an archival repository. This was presented at the Society of American Archivists annual meeting.

Committee Records Management and Disposition Assistance.—The Senate archivist provided each committee with staff briefings, record surveys, guidance on preservation of information in electronic systems, and instructions for the transfer of permanently valuable records to the National Archives' Center for Legislative Archives. 2,966 cubic feet of Senate records were transferred to the Archives. The archivist revised and published the *Records Management Handbook for United States Senate Committees*. Part of the revision entailed developing, with assistance from National Archives (NARA) staff, a protocol for transfer of electronic records to NARA's Center for Legislative Archives. The Committee on Homeland Security and Governmental Affairs and its archivist developed and successfully implemented a project using this protocol to appraise and transfer electronic records to the archives. The archivist worked with the Budget Committee to find professional assistance to perform a records survey and to begin comprehensive archival processing of older transfers for the purpose of assuming better intellectual control over their historical collection. The archival assistant continued to provide processing assistance to committees and administrative offices in need of basic help with noncurrent files. The archival assistant produced committee archiving reports in Access database format covering records' transfers for the past year. The archivist will use these reports in 2006 to provide committees with suggestions for improvements. The archivist hosted a tour and briefing for chief clerks at the Center for Legislative Archives.

"Senate Historical Minutes".—The Senate historian continued a nine-year series of "Senate Historical Minutes," begun in 1997 at the request of the Senate Democratic Leader. In 2005, the historian prepared and delivered a "Senate Historical Minute" at 21 Senate Democratic Conference weekly meetings. These 400-word Minutes were designed to enlighten members about significant events and personalities associated with the Senate's institutional development. More than 200 Minutes are available as a feature on the Senate website.

Photographic Collections

The photo historian created the first ever published pictorial directory of Senators, *Faces of the Senate: A Pictorial Directory of United States Senators, 1789–2005*. Since the First Congress convened in 1789, 1,885 men and women have served in the United States Senate. This invaluable reference source contains images of all but 46 of them. The images in the volume are arranged alphabetically by state, and further divided within each state by Senate class. This one-of-a-kind publication offers a unique visual representation of the collective Senate from its inception to the present. Prompted by the desire to make the *Faces* pictorial directory as complete as possible, the photo historian sought and acquired images of nearly 100 former Senators not previously represented in the Office's collection. Many of these newly acquired images were obtained from various universities, historical societies, and state libraries throughout the nation. More than half of the images came from a collection of late 19th- and early 20th-century photo scrapbooks that were donated to the Office at the end of 2004. These scrapbooks were inventoried and copy negatives were made of many of the images contained therein.

The photo historian continued to provide timely photographic reference service, while cataloging, digitizing, re-housing, and expanding the Office's 40,000-item image collection. The office's Continuity of Operations Plan (COOP) and vital electronic records were updated. As a contribution to the office's educational outreach efforts, two online photographic exhibits were created for the Senate website—*Capitol Scenes: 1900–1950* and *World War II: The Senate and the Nation's Capital*. A third online exhibit, *The Senate Through the Ages*, has been created and will be available on the website shortly. A number of Senators' offices were inspired by the *Faces* pictorial directory to display the images of all the Senators who had served from their state. The photo historian worked with the offices on these projects, providing the images and assisting in the design of the displays.

Educational Outreach

Much of the Senate Historical Office's correspondence with the general public takes place through the Senate's website, which has become an indispensable source for information about the institution. The assistant historian and the Historical Office staff maintain and frequently update the Web site with timely reference and historical information. In 2005, the Historical Office received an estimated 1,500 inquiries from the general public, the press, students, family genealogists, congressional staffers, and academics, through the public e-mail address provided on the

Senate website. The diverse nature of their questions reflects the varied levels of interest in how the Senate functions, its institutional history, and the individuals who have served in the body.

In coordination with the Office of Education and Training, Historical Office staff provided seminars on the general history of the Senate, Senate committees, women senators, Senate floor leadership, and the Constitution. Office staff also participated in seminars and briefings for specially scheduled groups. The Senate historian addressed a conference in the United Kingdom entitled, "What Are Senates For?" Sponsored by the University of London's Institute for Historical Research, this symposium was designed to explore further reform opportunities for the House of Lords by examining the experience of legislative upper houses in other western nations. The associate historian delivered the keynote address to the Northern Great Plains History Conference in Eau Claire, Wisconsin, participated in a workshop on "Congress and History" at Washington University in St. Louis, and was part of a panel discussion on "The American Congress" at the National Archives and Records Administration.

Advisory Committee on the Records of Congress.—This eleven-member permanent committee, established in 1990 by Public Law 101–509, meets twice a year to advise Congress and the Archivist of the United States on the management and preservation of the records of Congress. Its Senate-related membership includes appointees of the majority and minority leaders; the Secretary of the Senate, who serves as committee vice chair during the 109th Congress; and the Senate historian. The Historical Office provided support services for the Committee's June and December meetings.

Capitol Visitor Center Exhibition Content Committee.—Staff historians completed their assignments in drafting text for displays in the exhibition gallery of the Capitol Visitor Center. During 2005, the Office assisted Donna Lawrence Productions and Cortina Productions with background material for several visitor orientation films and interactive visual displays.

Association of Centers for the Study of Congress.—In May, the Historical Office assisted with the third annual meeting of the Association of Centers for the Study of Congress. Among the centers involved in this promising new organization are those associated with the public careers of former Senators Howard Baker, Bob Dole, Everett Dirksen, Thomas Dodd, Wendell Ford, Hubert Humphrey, Richard Russell, John Stennis, and John Glenn.

7. HUMAN RESOURCES

The Office of Human Resources was established in June 1995 as a result of the Congressional Accountability Act. The Office focuses on developing and implementing human resources policies, procedures, and programs for the Office of the Secretary of the Senate that fulfill the legal requirements of the workplace and complement the organization's strategic goals and values.

This includes recruiting and staffing; providing guidance and advice to managers and staff; training; performance management; job analysis; compensation planning, design, and administration; leave administration; records management; employee handbooks and manuals; internal grievance procedures; employee relations and services; and organizational planning and development.

The Human Resources Office also administers the Secretary's Public Transportation Subsidy program and the Summer Intern Program that offers college students the opportunity to gain valuable skills and experience in a variety of Senate support offices.

Classification and Compensation Review Completed

HR conducted a complete classification and compensation study. This work product is the single largest program to come from this office since its inception. The classification study includes a comprehensive collection of current job classifications and specifications for every position in the Office. Other federal agencies are looking to move from the GS schedule to this concept of broad banding, which allows greater flexibility in "pay for performance" models rather than simple graduated steps.

Policies and Procedures

The Secretary, through HR, is updating and revising the Employee Handbook of the Office of the Secretary. With nuances in employment law and other advances, the policies are being reviewed, coordinated with counsel, revised and updated. An entirely new updated Employee Handbook will be available in 2006.

Employee Self-Service (ESS)

HR has implemented use of the Employee Self-Service system (ESS) which is a secure system enabling Secretary staff to review and update personnel information pertaining to addresses, phone numbers and emergency contact information. Employees are now able to review and correct information to their electronic personnel records maintained by HR. Staff and managers can also access leave records and reports through this system. The ability to review and update this information is instrumental to maintaining accurate contact lists for emergencies or other contingencies.

ESS is a useful communication method among a large staff. It is incumbent upon the department to find ways to solicit the feedback, suggestions and insight of staff in an effort to continually improve processes and procedures. One way we have incorporated this effort is in the ESS system. There is a "suggestion box" component to this service that allows staff to anonymously send a message to HR with a concern or suggestion, to be considered by HR and/or the Executive Office.

Recruitment and Retention of Staff

HR has the ongoing task of advertising new vacancies or positions, screening applicants, interviewing candidates and assisting with all phases of the hiring process. HR will coordinate with the Sergeant at Arms HR to post all SAA and Secretary vacancies on the Senate intranet so that the larger Senate community may access the posting from their own offices.

HR assists in advising on performance-related issues and meets with staff and supervisors to develop performance improvement plans. Such plans help in both the development of a productive staff member and in making disciplinary recommendations when necessary.

Outreach

HR conducted the first Elder Care Fair that was made available to all Senate staff on October 24, 2005. The event provided an opportunity for staff to learn about and access local and nationwide services available to assist the elderly and those responsible for their care.

Comprehensive resource manuals were created and distributed throughout the Senate and have been requested by specific offices, committees, and departments. The goal is to conduct an Elder Care Fair every other year.

Training

In conjunction with the Senate Chief Counsel for Employment, HR works to prepare training for department heads and staff. Some of the training topics include Sexual Harassment, Interviewing Skills, Conducting Background Checks, Providing Feedback to Employees and Goal Setting.

Interns and Fellows

HR coordinates both the Secretary's internship program and the Heinz Fellowship program. From advertising, conducting needs analyses, communicating, screening, placing and following up with all interns, HR keeps a close connection with the interns to make the internship most beneficial to them and the organization.

8. INFORMATION SYSTEMS

The staff of the Department of Information Systems provides technical hardware and software support for the Office of the Secretary of the Senate. Information Systems staff also interface closely with the application and network development groups within the Sergeant at Arms (SAA), the Government Printing Office (GPO), and outside vendors on technical issues and joint projects. The Department provides computer related support for all LAN-based servers within the Office of the Secretary of the Senate. Information Systems staff provide direct application support for all software installed workstations, initiate and guide new technologies, and implement next generation hardware and software solutions.

Mission Evaluation

The primary mission of the Information Systems Department is to continue to provide the highest level of customer satisfaction and computer support for all departments within the Office of the Secretary of the Senate. Emphasis is placed on the creation and transfer of legislation to outside departments and agencies, meeting Disbursing office financial responsibilities to the member offices, and office mandated and statutory obligations.

Staffing and Functionality

No incremental staffing changes occurred in fiscal year 2005. The staffing level has remained unchanged since 1998, although functional responsibilities for support in other departments have expanded. Information System staff functionality was expanded by moving the IT structure from a local LAN support structure to an enterprise IT support process. Improved diagnostic practices were adopted to expand support across all Secretary Departments. Several departments, namely Disbursing, Chief Counsel for Employment, Office of Public Records, Page School, Senate Security, Stationery and Gift Shop previously employed dedicated information technology staff resident within the offices. Public Records, Stationery, and Gift Shop remote support was added in 2005. Information Systems personnel continue to provide a multi-tiered escalated hardware and software support for these offices.

For information security reasons, departments have implemented isolated computer systems, unique applications, and isolated local area networks. The Secretary of the Senate network is a closed local area network to all offices within the Senate. Information Systems staff continue to provide a common level of hardware and software integration for these networks, and for the shared resources of interdepartmental networking. Information System staff continue to actively participate in all new project design and implementation within the Secretary of the Senate operations.

Improvements to the Secretary's LANs

The Senate chose Windows NT as the standard network operating system in 1997. The continuing support strategy is to enhance existing hardware and software supports provided by the Information Systems Department, and augment that support with assistance from the SAA whenever required. The network supports approximately 300 users' accounts and patron accounts in the Capitol, the Senate Hart, Russell, and Dirksen Buildings, and the Page School. The total number of hardware servers retired in 2005 was 16.

Fiscal Year 2005 Summary Results

The Active Directory and Messaging Architecture (ADMA) marks the first time that all Secretary IT equipment is operating in a pure client/server relationship. The IT infrastructure foundation is now positioned for scaleable and expanded growth in all Secretary offices.

The ADMA project implementation provided a central point of IT system administration, and the opportunity to implement enterprise wide solutions, namely Outlook Web Access and remote messaging, offsite access to Webster, LIS, and newswire services.

Improvements incorporated in the Amendment Tracking Project now provide submitted as well as proposed amendments scanned for all Member offices.

Microsoft released 37 critical security updates for each workstation in 2005. Information System staff incorporated new techniques to test and deploy these updates to all systems. Coupled with a secure "wake-up-on-LAN" technology, workstations that are turned off can now securely powered up on the weekend, security updates installed, turned off, and ready for "business as usual" on Monday morning.

Active Directory and Message Infrastructure Project (ADMA)

The Microsoft Outlook E-Mail client solution is referred to as the Messaging Architecture and the replacement of the existing Windows NT server installed base is referred to as the Active Directory project. The ADMA plan involved all staff employees and was integrated into one central Active Directory Secretary Enterprise in 2005. Each department (except the Disbursing Office and Chief Counsel for Employment) is now structured as an organizational unit within the new enterprise.

In September 2005, phase one was completed, and phase two (Disbursing) was completed in December 2005.

There are several benefits to the implementation of the ADMA:

—All secure-id and Passface users have remote access to web-mail, Congress.gov, CRS, and news wire services;

—Access to web based services is available from all public and private internet locations;

—Centralized system administrative processes;

—Higher level of active file sharing and improved collaboration between different business functions; and

—Higher levels of messaging functionality during COOP events.

Clearly, the implementation of ADMA for the Secretary involved numerous resources on the part of both the Sergeant at Arms and the Secretary's offices. The

importance of this single project provides the "base" for all future IT related projects in the coming years.

Legislative Operation Upgrades

The technical staff collaborated with the SAA application development software personnel to complete the transition of the Amendment Tracking System workflow process to a web-based solution. This redesign facilitates the scanning of submitted and proposed amendments for all Senate offices.

Stationery Room Renovation Procurement

The Stationery Room awarded a contract to replace the existing hardware servers in August 2005. This process had not been updated in over ten years.

An enhancement to the Stationery Room's services incorporated a Metro Subsidy system which allows Senate offices to request allotted subsidies in advance using a web-browser based connection. SAA provided the web-entry portal at PSQ, and the Secretary's office installed the necessary SQL database server at PSQ. Hardware servers maintained jointly by SAA and the Secretary were initiated in 2005 to provide this advance purchase request.

Curator Project Management Software

In May 2004 a project requirement surfaced to provide the Curator's office with a method to create, edit, publish, and distribute information relative to numerous contracts and outside vendor projects. After evaluating these business requirements, the IT solution implemented now provides multi-user collaboration software to track and monitor these numerous projects.

In parallel, working with SAA Research and Development, this solution was also deemed valuable to other Senate offices. Implementation of this package allows staff to communicate and share files regardless of location. A Senate wide rollout is expected in 2005.

9. INTERPARLIAMENTARY SERVICES

The Office of Interparliamentary Services (IPS) has completed its 24th year of operation as a department of the Secretary of the Senate. IPS is responsible for administrative, financial, and protocol functions for all interparliamentary conferences in which the Senate participates by statute, for interparliamentary conferences in which the Senate participates on an ad hoc basis, and for special delegations authorized by the Majority and/or Minority Leaders. The office also provides appropriate assistance as requested by other Senate delegations.

The statutory interparliamentary conferences are: NATO Parliamentary Assembly; Mexico-United States Interparliamentary Group; Canada-United States Interparliamentary Group; British-American Interparliamentary Group; United States-Russia Interparliamentary Group; and United States-China Interparliamentary Group.

In June, the 44th Annual Meeting of the Mexico-U.S. Interparliamentary Group was held in Rhode Island. Arrangements for this successful event were handled by the IPS staff.

As in previous years, all foreign travel authorized by the Leadership is arranged by the IPS staff. In addition to delegation trips, IPS provided assistance to individual Senators and staff traveling overseas. Senators and staff authorized by committees for foreign travel continue to call upon this office for assistance with passports, visas, travel arrangements, and reporting requirements.

IPS receives and prepares for printing the quarterly financial reports for foreign travel from all committees in the Senate. In addition to preparing the quarterly reports for the Majority Leader, the Minority Leader, and the President Pro Tempore, IPS staff also assists staff members of Senators and committees in completing the required reports.

Interparliamentary Services maintains regular contact with the Office of the Chief of Protocol, Department of State, and with foreign embassy officials. Official foreign visitors are frequently received in this office and assistance is given to individuals as well as to groups by the IPS staff. The staff continues to work closely with other offices of the Secretary of the Senate and the Sergeant at Arms in arranging programs for foreign visitors. In addition, IPS is frequently consulted by individual Senators' offices on a broad range of protocol questions. Occasional questions come from state officials or the general public regarding Congressional protocol.

On behalf of the Leadership, the staff arranges receptions in the Senate for Heads of State, Heads of Government, Heads of Parliaments, and parliamentary delegations. Required records of expenditures on behalf of foreign visitors under authority of Public Law 100–71 are maintained in the Office of Interparliamentary Services.

Planning is underway for the 46th Annual Meeting of the Canada-U.S. Interparliamentary Group, which will be held in the United States in 2006. Advance work, including site inspection, will be undertaken for the Mexico-U.S. Interparliamentary Group and British American Parliamentary Group meetings to be held in the United States in 2007. Preparations are also underway for the spring and fall sessions of the NATO Parliamentary Assembly.

10. LIBRARY

The Senate Library provides legislative, legal, business, and general information services to the United States Senate. The library's collection encompasses legislative documents that date from the Continental Congress in 1774; current and historic executive and judicial branch materials; and an extensive book collection on American politics, history, and biography. Other resources include a wide array of online systems used to provide nonpartisan, confidential, timely, and accurate information services to the Senate. The library also authors content for three websites: Legislative Information Service, Senate.gov, and Webster.

Notable Achievements

Information inquiries increased 26 percent.

LIS nomination records enhanced with links to 1,074 full-text hearings.

Senate Support Facility opened, providing archival storage for library collections.

Project undertaken to provide electronic access to the Senate Historical Office's 3,000-volume book collection.

180 Senate staff were provided LIS instruction.

Information Services

Legal, legislative, business, and general research are the primary components of the Senate Library's mission. The two categories of patron requests are traditional requests resulting from walk-ins, telephone calls, faxes, or e-mails, and requests directed to library-produced web resources. As content providers to three websites—Senate.gov, the Legislative Information System (LIS), and Webster—the library's work flow and procedures, staff skills, and information products have changed significantly and permanently. XML technology has significantly and positively impacted web work flow and work product. As a result, the library can meet the Senate community's ever-increasing reliance on technology with accurate, pertinent, and current information in an even more timely and cost-effective manner. The response to the library's commitment to web initiatives was a 26 percent increase in inquiries from the previous year. This marked the second consecutive year of double-digit increases.

INFORMATION SERVICES TO THE SENATE

Year	Traditional Inquiries	Web Inquiries	Total	Increase from Previous Year
2005	33,080	823,076	856,156	26 percent
2004	33,750	602,236	635,986	38 percent
2003	46,234	348,198	394,432	Baseline

Most of the activities supporting research also reflected significant increases, including 4,015 information packages delivered (+23 percent) and 133,335 photocopies (+13.75 percent). The number of loaned books and documents increased 27 percent to 2,752 and 330 new borrowing accounts were established, bringing the total to 2,667. Other important contributors to the across-the-board increases were the October 2004 Senate-wide release of the library's online catalog, which recorded nearly 4,000 user visits, the interactive *New Books List*, and the new e-mail book ordering service. In addition, more than 4,400 pages were produced from the library's extensive microform collection of newspapers, journals, and congressional documents.

Significant Projects

Supreme Court Nominations

A web-available history documenting the 158 Supreme Court nominations submitted to the Senate since 1789 was compiled and published. This unique web document features confirmation chronologies and embedded links to voting records, nominee biographies, and essays regarding special circumstances. The document has been published on Senate.gov, the Legislative Information System, and the Senate Library's Home Page on Webster.

A related Supreme Court project provides web access to the text of confirmation hearings conducted since 1971 and Senate executive reports issued since 1993. These two categories of important documents were provided through collaboration with the Senate Judiciary Committee, Congressional Research Service (CRS), Government Printing Office (GPO), and Library of Congress Law Library.

Senate Hearings on LIS

The Legislative Information System nomination reports were enhanced with the addition of 886 Senate hearing numbers, the key to identifying a specific transcript in a library or at GPO.

A related LIS project linked the hearing numbers to the full text of hearing transcripts at GPO Access. The June release of this new feature on LIS was followed by a November release on THOMAS. To date, this cooperative project between the Library of Congress and the Senate Library has established 1,074 full-text links to Senate committee hearings.

Appropriations Legislation

The library's popular Appropriations Legislation series documents the history of appropriations measures since fiscal year 1993. The histories were significantly improved with the addition of links to full-text transcripts of nearly 200 Senate Appropriations' hearings. An additional feature that links House hearing information to the web-based library catalog is available to Senate staff through the library's Webster site. Simultaneous dynamic publishing to the histories on Webster, LIS, and Senate.gov was designed by the Web Technology Office and significantly improved editing procedures.

Educational Services

LIS Savvy classes, a new library outreach program, were introduced in March. The one-hour classroom sessions provided 180 Senate staff with expert LIS training from an experienced research librarian. In addition to the scheduled monthly sessions, six more classes, including a teleconference training session, were held to meet the demand. LIS Savvy classes complement the library's responsibility as the Senate's official Help Desk for commercial and legislative databases.

In addition, 204 Senate staff attended library-sponsored seminars and events including Services of the Senate Library Seminars, the Senate Services Fair, Senate Page School tours, state staff orientations, and the annual National Library Week reception and book talk.

During 2005, the library hosted 179 visitors from graduate schools, professional organizations, and federal libraries. The tours included Catholic University and University of North Carolina graduate students; library staff from the Supreme Court, Central Intelligence Agency, and Library of Congress; D.C. Special Library Association members; and participants in the annual GPO Depository Library Conference.

Technical Services

Acquisitions

The library received 11,988 (+2.5 percent) new acquisitions in 2005. Of this number, 7,520 were congressional documents, 3,588 executive branch publications, and the remaining 880 items were books related to politics, American history, or biography.

As a participant in the Federal Depository Library Program (FDLP), the library receives selected categories of legislative, executive, and judicial branch publications from GPO. In 2005, the library acquired 11,108 items through FDLP. The trend to electronically distribute government publications has significantly reduced the overall number of paper documents issued; GPO reports that 95 percent of government documents are now issued electronically. The library responded to this trend by hosting 16,938 electronic catalog links, the majority of which are to government documents.

A major project is the ongoing title-by-title evaluation of executive branch publications. During the fifth year of the project, 1,462 superseded or surplus items were withdrawn from the collection and 628 of these items were donated to requesting federal libraries. The project's final phase will improve organization and access by integrating the retained documents into the book collection. Toward this end, 379 documents were reclassified and merged into the larger primary collection.

Cataloging

The library's productive cataloging staff draws on years of experience to produce and maintain a catalog of more than 166,912 bibliographic items. During the year, 10,385 items were added to the catalog including 5,179 new titles (+10 percent), and 5,689 items were withdrawn. A total of 28,928 maintenance transactions con-

tributed to the catalog's content, currency, and record integrity. The library also contributed 664 personal names and congressional terms to the Name Authorities Cooperative program (NACO) at the Library of Congress. That number is exceptional and underscores cataloging skills and the very special nature of the Senate's collections. As an international authority, NACO's institutional participants create shared cataloging resources for the larger library community.

Staff addressed the longstanding issue of tracking committee hearings. There is often a three to six-month period between the date a hearing is held and publication of the official transcript. To date, 383 records have been created for yet-to-be published hearings. Senate staff and researchers are now able to identify both published and unpublished Senate hearings by searching the library catalog.

Other cataloging projects included assisting the Senate Historical Office in providing electronic access to their 3,000 volume book collection. Once completed, the entire collection will be searchable through the library's online catalog. Since May, records for the first 638 titles have been completed.

Web-Based Catalog

The library's online catalog, containing 166,912 bibliographic records, was released Senate-wide on October 25, 2004. During the first operational year, Senate staff searched the catalog on nearly 4,000 occasions. The public catalog is updated nightly to guarantee that Senate staff will retrieve accurate and timely information on library holdings. The holdings for electronic journals and government-issued serials, including annual reports and recurring documents, were added to the catalog in 2005.

A four-month beta test of the latest catalog upgrade was followed by a June installation of the new 3.3 version. The beta testing provided an opportunity to recommend search and display improvements. Catalog users will see enhanced full-text search capability with system-generated equivalent and substitute terms. For more precision, exact-match searching, which provides more focused results, is also available. The catalog improvements have significantly integrated the majority of library resources onto the Secretary's network.

The library utilizes a statistical and analytical tool, to process raw data from the public catalog web server. This valuable management tool provides information on aggregate catalog usage and will result in improved design and service.

Offsite Storage, Collection Maintenance, and Binding

The Senate Support Facility was completed in December 2005 and will provide long-term, preservation-quality storage for library collections. The library's designated area in the warehouse provides storage for 56,000 volumes, and has on-site security, fire suppression, museum-standard humidity and temperature controls, air filtration, and telecommunications. A collection of 25,000 historic and rare congressional documents will be transferred to the SSF in 2006.

Preservation of the library's 18th and 19th century collections resulted in several initiatives, including a volume-by-volume collection survey that will identify those titles requiring conservation, repair, or replacement. To prevent the growth of mold and mildew, routine monitoring ensures that strict temperature and humidity levels are maintained. To guarantee future availability and preservation, GPO bound 550 library volumes for the permanent collection.

Administrative

Budget

Budget reductions in 2005 totaled $2,544.32. Nine years of budget monitoring has resulted in reductions totaling $73,484.18. Continual review of purchases has eliminated materials not meeting the Senate's current information needs. This oversight is also critical in offsetting cost increases for core materials and for acquiring new materials. The goal is to provide the highest service level using the latest technologies and best resources in the most cost-effective manner.

Continuity of Operations Plan (COOP)

The addition of a laptop computer significantly improved the library's ability to meet COOP-related and special event responsibilities. With added remote access to the Senate.gov content management system (CMS), staff can efficiently update the floor schedule. To meet COOP requirements for an alternate work site, the library's warehouse location will provide staff areas, a core reference collection, and access to the Senate network and telecommunications systems.

Unum, Newsletter of the Office of the Secretary of the Senate

Unum, the Secretary's quarterly newsletter produced by Senate Library staff since October 1997, is an historical record of accomplishments, events, and per-

sonnel in the Office of the Secretary of the Senate. Three issues were published during 2005, including a 16-page commemorative issue honoring the 200th anniversary of Constantino Brumidi's birth. In addition, Senate-wide access to each of the thirty-seven issues was made available through Webster and the library's catalog.

Major Library Goals for 2006

Relocate 25,000 volumes to the Senate Support Facility.
Redesign the library's Webster site.
Identify a COOP-designated reference collection for the Senate Support Facility.
Continue the review and reclassification of executive branch materials.
Add Senate hearing numbers to LIS status reports for the 1987–2000 time period.
Plan for server upgrades in preparation for future catalog requirements.

SENATE LIBRARY STATISTICS FOR CALENDAR YEAR 2005—ACQUISITIONS

	Books		Government Documents		Congressional Publications				Total
	Ordered	Received	Paper	Fiche	Hearings	Prints	Bylaw	Reports/ Docs	
January	21	65	234	86	206	19	48	342	1,000
February	22	51	208	44	276	13	81	242	915
March	20	81	397	142	243	28	74	273	1,238
1st Quarter	63	197	839	272	725	60	203	857	3,153
April	18	78	161	35	214	35	53	204	780
May	34	98	122	42	183	27	80	367	919
June	27	102	159	396	217	16	72	336	1,298
2nd Quarter	79	278	442	473	614	78	205	907	2,997
July	50	61	170	51	249	21	65	292	909
August	21	75	120	78	276	25	58	324	956
September	33	58	190	201	235	18	148	268	1,118
3rd Quarter	104	194	480	330	760	64	271	884	2,983
October	32	82	187	76	283	17	68	293	1,006
November	48	74	215	49	256	13	56	350	1,013
December	20	55	174	51	288	20	81	167	836
4th Quarter	100	211	576	176	827	50	205	810	2,855
2005 Total	346	880	2,337	1,251	2,926	252	884	3,458	11,988
2004 Total	225	716	2,329	985	3,180	217	1,171	2,955	11,698
Percent Change	53.78	22.91	.34	27.01	−7.99	16.13	−24.51	17.02	2.48

SENATE LIBRARY STATISTICS FOR CALENDAR YEAR 2005—CATALOGING

	S. Hearing Numbers Added to LIS	Bibliographic Records Cataloged							Total Records Cataloged
		Books	Government Documents			Congressional Publications			
			Paper	Fiche	Electronic	Hearings	Prints	Docs./ Pubs./Reports	
January	42	22	6	17	13	353	4	51	466
February	20	21	2	7	5	258	5	75	373
March	121	25	16	7	2	315	5	114	484
1st Quarter	183	68	24	31	20	926	14	240	1,323
April	.....	38	11	1	8	133	8	108	307
May	14	69	5	.....	7	239	6	88	414
June	44	121	8	2	5	403	6	67	612
2nd Quarter	58	228	24	3	20	775	20	263	1,333
July	647	47	2	2	17	197	2	42	309
August	81	30	6	7	21	158	.....	103	325
September	28	49	8	1	7	246	1	98	410
3rd Quarter	756	126	16	10	45	601	3	243	1,044
October	19	30	2	8	4	478	.....	49	571
November	46	21	5	2	33	337	.....	64	462
December	26	27	14	3	9	262	2	129	446
4th Quarter	91	78	21	13	46	1,077	2	242	1,479
2005 Total	1,088	500	85	57	131	3,379	39	988	5,179
2004 Total	240	425	51	41	37	3,329	164	662	4,709
Percent Change	353.33	17.65	66.67	39.02	254.05	1.50	−76.22	49.24	9.98

SENATE LIBRARY STATISTICS FOR CALENDAR YEAR 2005—DOCUMENT DELIVERY

	Volumes Loaned	Materials Delivered	Facsimiles	Micrographics Center Pages Printed	Photocopiers Pages Printed
January	213	333	119	534	5,874
February	220	271	79	234	10,258
March	254	384	143	479	8,567
1st Quarter	687	988	341	1,247	24,699
April	202	357	75	151	12,082
May	254	280	36	401	9,886
June	225	366	73	413	11,183
2nd Quarter	681	1,003	184	965	33,151
July	210	252	112	158	8,617
August	359	633	111	550	10,268
September	216	317	70	320	13,095
3rd Quarter	785	1,202	293	1,028	31,980
October	207	317	76	374	8,986
November	225	273	38	414	8,894
December	167	232	69	378	5,625
4th Quarter	599	822	183	1,166	23,505
2005 Total	2,752	4,015	1,001	4,406	113,335
2004 Total	2,165	3,265	1,904	4,522	99,636
Percent Change	27.11	22.97	−47.43	−2.57	13.75

11. SENATE PAGE SCHOOL

The United States Senate Page School exists to provide a smooth transition from and to the students' home schools, providing those students with as sound a program, both academically and experientially, as possible during their stay in the nation's capital, within the limits of the constraints imposed by the work situation.

Summary of Accomplishments

Accreditation by the Middle States Commission on Secondary Schools continues until December 31, 2008.

Two page classes successfully completed their semester curriculum. Closing ceremonies were conducted on June 10, 2005, and January 20, 2006, the last day of school for each semester.

Orientation and course scheduling for the Spring 2005 and Fall 2005 pages were successfully completed. Needs of incoming students determined the semester schedules.

Extended educational experiences were provided to pages. Twenty-one field trips, five guest speakers, opportunities to compete in writing and speaking contests, to play musical instruments and vocalize, and to continue foreign language study with the aid of tutors of four languages were all afforded pages. Six field trips to educational sites and three speakers were provided for summer pages as an extension of the page experience. National tests were administered for qualification in scholarship programs as well.

Effective and efficient communication and coordination among the Sergeant at Arms, Secretary, Party Secretaries, Page Program, and Page School continues.

The evacuation plan and COOP have been reviewed and updated. Pages and staff continue to practice evacuating to primary and secondary sites.

The community service project embraced by pages and staff in 2002 continues. Items for gift packages were collected, assembled, and shipped to military personnel in Afghanistan and Iraq. The pages included letters of support to the troops participating in Operation Enduring Freedom. Several recipients of gift packages wrote letters to the pages expressing their appreciation.

Staff and pages participated in escape hood training.

Tutors were trained in evacuation procedures.

Updated materials and equipment were purchased. These included five Titanium calculators, supplemental English textbooks, pre-calculus textbooks, and political science and American government texts.

Faculty have pursued learning opportunities. One participated in the Veterans History Project workshop at the Library of Congress; another attended an AP Physics workshop, a Hazard Communications seminar, the T3 International conference, and a PASCO workshop; and a third attended the National Council of Teachers of Mathematics convention as well as the T3 International Conference and completed two courses in his doctoral program.

All sinks in the science lab have been retrofitted with aspirators.

Summary of Plans

Our goals include:

—Individualized small group instruction and tutoring by teachers on an as-needed basis will continue to be offered.

—Foreign language tutors will provide instruction in French, Spanish, German, Latin, and Japanese.

—The focus of field trips will be sites of historic, political, and scientific importance which complement the curriculum.

—Staff development options will include attendance at a technology conference, seminars conducted by Education and Training, and subject matter conferences conducted by national organizations.

—The community service project will continue.

12. PRINTING AND DOCUMENT SERVICES

The Office of Printing and Document Services (OPDS) serves as the liaison to the Government Printing Office (GPO) for the Senate's official printing, ensuring that all Senate printing is in compliance with Title 44, U.S. Code as it relates to Senate documents, hearings, committee prints and other official publications. The office assists the Senate by coordinating, scheduling, delivering and preparing Senate legislation, hearings, documents, committee prints and miscellaneous publications for printing, and provides printed copies of all legislation and public laws to the Senate and the public. In addition, the office assigns publication numbers to all hearings, committee prints, documents and other publications; orders all blank paper, envelopes and letterhead for the Senate; and prepares page counts of all Senate hearings in order to compensate commercial reporting companies for the preparation of hearings.

Printing Services

During fiscal year 2005, the OPDS prepared 4,439 printing and binding requisitions authorizing the GPO to print and bind the Senate's work, exclusive of legislation and the Congressional Record. Since the requisitioning done by the OPDS is central to the Senate's printing, the office is uniquely suited to perform invoice and bid reviewing responsibilities for Senate printing. As a result of this office's cost accounting duties, OPDS is able to review and assure accurate GPO invoicing as well as play an active role in helping to provide the best possible bidding scenario for Senate publications.

In addition to processing requisitions, the Printing Services Section coordinates proof handling, job scheduling and tracking for stationery products, Senate hearings, Senate publications and other miscellaneous printed products, as well as monitoring blank paper and stationery quotas for each Senate office and committee. The office's online blank paper ordering system, implemented in 2003, continues to be a popular option for Senate staff. The OPDS also coordinates a number of publications for other Senate offices, such as the Curator, Historical Office, Disbursing, Legislative Clerk, and Senate Library in addition to the U.S. Botanic Garden, U.S. Capitol Police and Architect of the Capitol. These tasks include providing guidance for design, paper selection, specifications for quotations, monitoring print quality and distribution. Last year's major printing projects included the Report of the Secretary of the Senate and the Semiannual Report of the Architect of the Capitol. Current major projects for the office include a full color version of the "History of the U.S. Botanic Garden 1861–1991", "Headlines in Senate History" a compilation prepared by the Senate Historical Office, and the "U.S. Senate Catalogue of Graphic Art" a companion volume to the fine art catalogue.

Hearing Billing Verification

Senate committees often use outside reporting companies to transcribe their hearings. The OPDS processes billing verifications for these transcription services ensuring that costs billed to the Senate are accurate. During 2005, OPDS provided commercial reporting companies and corresponding Senate committees a total of 949 billing verifications of Senate hearings and business meetings, a 20 percent increase over the previous year. Over 66,000 transcribed pages were processed at a total billing cost of over $426,000.

The OPDS utilizes a program developed in conjunction with the Sergeant at Arms Computer Division that provides more billing accuracy and greater information gathering capacity, and adheres to the guidelines established by the Senate Committee on Rules and Administration for commercial reporting companies to bill the Senate for transcription services. During 2005 the office continued processing all file transfers between committees and reporting companies electronically, ensuring efficiency and accuracy. Department staff continues training to apply today's expanding digital technology to improve performance and services.

HEARING TRANSCRIPT AND BILLING VERIFICATIONS

	2003	2004	2005	Percent change 2005/2004
Billing Verifications	975	787	949	+ 20.6
Average per Committee	51.3	41.4	49.9	+ 20.6
Total Transcribed Pages	70,532	56,262	66,597	+ 18.4
Average Pages/Committee	3,712	2,961	3,505	+ 18.4
Transcribed Pages Cost	$461,807	$366,904	$426,815	+ 16.3
Average Cost/Committee	$24,288	$19,311	$22,463	+ 16.3

Additionally, the Service Center within the OPDS is staffed by experienced GPO detailees that provide Senate committees and the Secretary of the Senate's office with complete publishing services for hearings, committee prints, and the preparation of the Congressional Record. These services include keyboarding, proofreading, scanning, and composition. The Service Center provides the best management of funds available through the Congressional Printing and Binding Appropriation as committees have been able to decrease or eliminate additional overtime costs associated with the preparation of hearings.

Document Services

The Document Services Section coordinates requests for printed legislation and miscellaneous publications with other departments within the Secretary's Office, Senate committees, and the GPO. This section ensures that the most current version of all material is available, and that sufficient quantities are available to meet projected demands. The Congressional Record, a printed record of Senate and House floor proceedings, Extension of Remarks, Daily Digest and miscellaneous pages, is one of the many printed documents provided by the office on a daily basis. In addition to the Congressional Record, the office processed and distributed 9,984 distinct legislative items in 2005, including Senate and House bills, resolutions, committee and conference reports and executive documents.

CONGRESSIONAL RECORD STATISTICS

	2003	2004	2005
Pages Printed:			
For the Senate	16,835	12,642	16,393
For the House	16,259	14,243	18,394
Total Pages Printed	33,094	26,885	34,787
Copies Printed and Distributed:			
To the Senate	307,917	227,192	295,366
To the House	441,735	331,165	397,327
To the Executive Branch and the Public	449,750	323,957	356,770
Total Copies Printed and Distributed	1,199,402	882,314	1,049,463

CONGRESSIONAL RECORD STATISTICS—Continued

	2003	2004	2005
Production Costs:			
Senate Costs	$9,886,805	$7,961,741	$6,640,823
House Costs	$9,563,592	$9,026,893	$8,933,244
Other Costs	$693,141	$555,010	$440,639
Total Production Costs	$20,143,538	$17,543,644	$16,014,706

Although accessing legislative documents through the World Wide Web is popular, there is still a strong need for printed documents. The OPDS continually tracks demand for all classifications of Congressional legislation and twice yearly adjusts the number of documents ordered in each category to closely match demand. As a result, document waste has decreased significantly over the past several years.

Customer Service

The primary responsibility of the OPDS is to provide services to the Senate. However, the office also has a responsibility to the general public, the press, and other government agencies. Requests for legislative material are received at the walk-in counter, through the mail, by fax, and electronically. In 2005, ordering of legislative documents on-line increased by 260 percent. The Legislative Hot List Link, where Members and staff can confirm arrival of printed copies of the most sought after legislative documents, is popular. The site is updated several times daily each time new documents arrive from GPO to the Document Room. In addition, the office handled thousands of phone calls pertaining to the Senate's official printing, document requests and legislative questions. Recorded messages, fax, and e-mail operate around the clock and are processed as they are received in addition to mail requests. The office stresses prompt, courteous and accurate answers to Senate and public requests.

SUMMARY OF ANNUAL CUSTOMER SERVICE STATISTICS

Year	Congress/ session	Public mail	FAX request	On-line request	Counter request
2003	108/1st	1,469	2,596	735	53,040
2004	108/2nd	1,137	2,229	564	36,780
2005	109/1st	1,369	2,326	1,464	40,105

On-Demand Publication

The office produces additional copies of legislation as needed in the DocuTech Service Center which is staffed by experienced GPO detailees. On-demand printing and binding of bills and reports is provided to Member offices and Senate committees. In March 2004, the office coordinated the installation of a new, improved DocuTech high-speed digital copier and production publisher. This machine decreases the quantities of documents printed directly from GPO and increases the ability to reprint documents on-demand on a larger scale. The DocuTech is networked with GPO allowing print files to be sent back and forth electronically. It also provides the advantage of quickly printing necessary legislation for the Senate floor and other offices in the event of a GPO COOP situation. During 2005, the DocuTech Center produced 530 tasks for a total of 891,871 printed pages, a 35 percent increase over the previous year.

Accomplishments and Future Goals

The OPDS experienced an increased volume of business during 2005. Staff members attended both technical and management continuing education courses, always working toward the goal of providing customers, the Senate community and the public, with prompt and accurate service. Future goals include working with the GPO on improving job flow procedures. This includes sending customers electronic proofs for print jobs, as well as developing new database reports on serial set publications for the Senate Library and inventory tracking of materials housed in the new Senate Materials Facility. The Office of Printing and Document Services continues to seek new ways to use technology to assist Members and staff with added services and improved access to information.

13. OFFICE OF PUBLIC RECORDS

The Office of Public Records receives, processes, and maintains records, reports, and other documents filed with the Secretary of the Senate involving the Federal Election Campaign Act, as amended; the Lobbying Disclosure Act of 1995; the Senate Code of Official Conduct: Rule 34, Public Financial Disclosure; Rule 35, Senate Gift Rule Filings; Rule 40, Registration of Mass Mailing; Rule 41, Political Fund Designees; and Rule 41(6), Supervisor's Reports on Individuals Performing Senate Services; and Foreign Travel Reports.

The office provides for the inspection, review, and reproduction of these documents. From October 2004, through September 2005, the Public Records office staff assisted more than 2,200 individuals seeking information from reports filed with the office. This figure does not include assistance provided by telephone, nor assistance given to lobbyists attempting to comply with the provisions of the Lobbying Disclosure Act of 1995. A total of 102,977 photocopies were sold in the period. In addition, the office works closely with the Federal Election Commission, the Senate Select Committee on Ethics and the Clerk of the U.S. House of Representatives concerning the filing requirements of the aforementioned Acts and Senate rules.

Fiscal Year 2005 Accomplishments

The office developed on-site scanning redundancy with other offices under the Office of the Secretary. The office also modernized the on-site public access software.

Automation Activities

During fiscal year 2005, the Senate Office of Public Records developed the capacity to be able to scan time-sensitive documents in the event of a breakdown of the principal scanner.

Federal Election Campaign Act, as Amended

The Act requires Senate candidates to file quarterly reports in a non-election year. Filings totaled 4,447 documents containing 278,264 pages.

Lobbying Disclosure Act of 1995

The Act requires semi-annual financial and lobbying activity reports. As of September 30, 2005, 6,485 registrants represented 20,099 clients and employed 32,890 individuals who met the statutory definition of "lobbyist." The total number of lobbying registrations and reports processed was 49,401.

Public Financial Disclosure

The filing date for Public Financial Disclosure Reports was May 16, 2005. The reports were available to the public and press by Tuesday, June 14th. Copies were provided to the Select Committee on Ethics and the appropriate State officials. A total of 2,900 reports and amendments was filed containing 15,878 pages. There were 301 requests to review or receive copies of the documents.

Senate Rule 35 (Gift Rule)

The Senate Office of Public Records has received over 1,691 reports during fiscal year 2005.

Registration of Mass Mailing

Senators are required to file mass mailings on a quarterly basis. The number of pages was 558.

14. SENATE SECURITY

The Office of Senate Security (OSS) was established under the Secretary of the Senate by Senate Resolution 243 (100th Congress, 1st Session). The Office is responsible for the administration of classified information programs in Senate offices and committees. In addition, OSS serves as the Senate's liaison to the Executive Branch in matters relating to the security of classified information in the Senate. This report covers the period from January 1, 2005 through December 31, 2005.

Personnel Security

Four hundred eighty-five Senate employees held one or more security clearances at the end of 2005. This number does not include clearances for employees of the Architect of the Capitol or for Congressional Fellows assigned to Senate offices. OSS also processes these clearances.

OSS processed 2,361 personnel security actions in 2005, a 24 percent increase from 2004. One hundred-seven investigations for new security clearances were initiated last year, and 58 security clearances were transferred from other agencies. Senate regulations, as well as some Executive Branch regulations, require that indi-

viduals granted Top Secret security clearances be reinvestigated at least every five years. Staff holding Secret security clearances are reinvestigated every ten years. During the past 12 months, reinvestigations were initiated on 70 Senate employees. OSS processed 218 routine terminations of security clearances during the reporting period and transmitted 339 outgoing visit requests. The remainder of the personnel security actions consisted of updating access authorizations and compartments.

Overall, the average time required by the Department of Defense (DOD) and Federal Bureau of Investigation (FBI) for processing security clearances (by means of investigation and adjudication) has increased from 260 days to 332 days. The average time for investigations has increased by 27.7 percent relative to 2004. Since the previous increases for 2002 to 2003 was 66.7 percent and 2003 to 2004 was 25.6 percent, this represents a very significant increase in the last two years. The average time for an initial investigation conducted and adjudicated by the DOD is 305 days from the date that OSS requests the investigation until the letter from DOD granting the clearance is received in Senate Security. The average time for DOD initial investigations increased 19.1 percent.

The periodic reinvestigation process averages 385 days, an increase of 42.6 percent relative to 2004. The average time for an initial investigation conducted by the FBI and adjudicated by DOD is 256 days, while the periodic reinvestigation process averages 447 days. The FBI investigation with DOD adjudication times represents an increase of 1.6 percent and 69.3 percent respectively.

Two hundred thirty-nine records checks were conducted at the request of the FBI, ATF and OPM. One record check each was performed on behalf of OPM and ATF. The remaining checks were performed for FBI. This represents a 15.5 percent increase in records checks completed by OSS.

Security Awareness

OSS conducted or hosted 75 security briefings for Senate staff. Topics included: information security, counterintelligence, foreign travel, security managers' responsibilities, office security management, and introductory security briefings. This represents a 2 percent increase from 2004.

Document Control

OSS received or generated 2,792 classified documents consisting of 90,217 pages during calendar year 2005. This is a 0.4 percent decrease in the number of documents received or generated in 2004. Additionally, 67,899 pages from 4,082 classified documents no longer required for the conduct of official Senate business were destroyed. This represents a 52.9 percent increase in destruction. OSS transferred 700 documents consisting of 26,625 pages to Senate offices or external agencies, down 40.9 percent from 2004. These figures do not include classified documents received directly by the Appropriations Committee, Armed Services Committee, Foreign Relations Committee, and Select Committee on Intelligence, in accordance with agreements between OSS and those committees. Overall, Senate Security completed 7,575 document transactions and handled over 184,742 pages of classified material in 2005, an increase of 40.9 percent.

Secure storage of classified material in the OSS vault was provided for 107 Senators, committees, and support offices. This arrangement minimizes the number of storage areas throughout the Capitol and Senate office buildings, thereby affording greater security for classified material.

Secure Meeting Facilities

OSS secure conference facilities were utilized on 919 occasions during 2005. Use of OSS conference facilities decreased 19.7 percent from 2004 levels. Five hundred forty-six meetings, briefings, or hearings were conducted in OSS' three conference rooms. Of those, twelve were "All Senators" briefings and six were hearings. OSS also provided to Senators and staff secure telephones, secure computers, secure facsimile machine, and secure areas for reading and production of classified material on 373 occasions in 2005.

15. STATIONERY ROOM

The mission of the Keeper of the Stationery is:

—To sell stationery items for use by Senate offices and other authorized legislative organizations.

—To select a variety of stationery items to meet the needs of the Senate environment on a day-to-day basis and maintain a sufficient inventory of these items.

—To purchase supplies utilizing open market procurement, competitive bid and/or GSA Federal Supply Schedules.

—To maintain individual official stationery expense accounts for Senators, Committees, and Officers of the Senate.
—To render monthly expense statements.
—To insure receipt of reimbursements for all purchases by the client base via direct payments or through the certification process.
—To make payments to all vendors of record for supplies and services in a timely manner and certify receipt of all supplies and services.
—To provide delivery of all purchased supplies to the requesting offices.

	Fiscal Year 2005 Statistics	Fiscal Year 2004 Statistics
Gross Sales	$5,247,163	$4,740,221
Sales Transactions	60,247	58,682
Purchase Orders Issued	8,611	6,741
Vouchers Processed	9,206	7,485
Mass Transit Media Sold	75,607	67,836
$20.00	64,527	60,564
$10.00	3,923	3,923
$5.00	7,157	3,148
Time Employees (FTE)	13	13

Fiscal Year 2005 Highlights and Projects

Flag Purchase Modernization Project.—During fiscal year 2005, with the assistance of the Architect of the Capitol and the Senate Sergeant at Arms, the Stationery Room embarked on a program to develop a method in which Member offices could purchase flags which had been flown over the Capitol, but were not date or occasion specific. Research revealed that approximately 37 percent of all flag requests by constituents were only to obtain a flag flown over the Capitol. It was reasoned that if flags could be flown in advance, significant wait times could be reduced. Thus, the Senate Sergeant at Arms PG&DM Division created artwork for a generic customizable flag certificate, along with a CD template that could be used in the customization process. All flags which have been pre-flown come with a Certificate of Authenticity signed by the Architect, certifying each flag has been flown over the United States Capitol. Currently this program is in use by a pilot group of Member offices.

Senate Service Award Project.—At the end of fiscal year 2004, authorization was granted to proceed in the development of a program to recognize Senate staff who have completed twenty and thirty years of Senate service. Working closely with the Committee on Rules and Administration, the Senate Disbursing Office and Stationery Room vendors, a new Service Award Certificate was developed. This project resulted in the presentation of approximately 540 certificates to staff members who were employed in the Senate as of September 2004.

Mass Transit Subsidy Electronic Submissions.—This project came to fruition with a fully functional application developed in-house by the Senate Sergeant at Arms Information and Technology's Research and Development team. This application allows users to submit their requests for Mass Transit media via a web-based solution. Once submitted, the request is filled by Stationery Room staff and notification is made to the requesting office that their media is ready. The Senate currently has 120 offices participating in the Mass Transit Subsidy Program of which 97 offices are submitting requests electronically.

Senate Support Facility.—A new off-site facility affords the Stationery Room a 1,800 square foot secure work area along with an additional pallet storage area which will accommodate 190 pallets of merchandise. Stationery Room staff is also working on logistical and additional usage functions in this modern facility as a tenant user, including the ability to use the assigned space as a distribution center for product.

Computer Modernization.—For over two years, the Stationery Room has worked to achieve modernization of its aged computer system. These efforts culminated in the "rollout" on August 4, 2005 of a new, state of the art sequel-based retail point of sale and accounting system. The base product installation will allow the Stationery Room to manage its inventory by location; provide account holders with detailed monthly transaction information; eliminate paper transaction storage with information stored for retrieval from the system on demand, and a host of other features that new technology now provides.

16. WEB TECHNOLOGY

The Office of Web Technology is responsible for web sites that fall under the purview of the Secretary of the Senate, including: the Senate website, www.senate.gov (except individual Senator and Committee pages); the Secretary website on Webster; an intranet site currently used for file-sharing by Secretary staff only; and a LegBranch web server housing web sites and project materials which can be accessed by staff at other Legislative Branch agencies.

The Senate Web site (www.senate.gov)

The United States Senate Web site celebrated its 10 year anniversary in 2005. The first U.S. Senate home page on the World Wide Web was announced October 20, 1995 on the Senate floor. From the Senate homepage members of the public could easily find the homepages for their own Senators. As the World Wide Web grew, so did the content and mission of Senate.gov. The pages of information became catalogs and databases, but the mission to provide the public with accurate and timely information remained constant.

The second Senate home page, introduced in January 1997, provided a graphical interface, a virtual tour of the Capitol, access to Senate committee pages, and improved access to legislative data. Information about institutional procedures, history, and statistical records were also new to the site.

Senate floor and committee schedule information was provided when the 106th Congress convened and the third home page was launched on January 6, 1999. The site received a Federal Design Award, issued by the National Endowment for the Arts and the General Services Administration. The award recognized the site for "humaniz[ing] the venerable institution of the Senate by making its everyday activities and rich history readily accessible to the public."

The Senate's fourth home page was launched in October 2002 and included the functionality of a powerful, behind-the-scenes content management system. The previous web sites were maintained by a small team of 5 staff who knew HTML and could code content for display in web browsers. This new system allowed non-technical subject experts to post information to the Web site, greatly increasing the amount of relevant information available to the public. Over 30 contributors from eleven departments in the offices of the Secretary and the Sergeant at Arms now publish text and images on the Web site.

In 2005 the newest graphical interface was designed for www.senate.gov, bringing more content to the front page, and providing access to Senators' websites from every page on the site. To help visitors find information, links to popular features were added to the homepage and a new site-wide search, available from every page, was introduced.

The SAA conducted a feasibility study to evaluate the search appliance to see if it is compatible with the Senate environment. Secretary staff did extensive testing during the evaluation period and determined that the new search would work for senate.gov. This department also participated in developing the custom tag for use by Senate offices who want to put a search feature on their own web pages to search only their own web site content.

There were more than 50 million visitors to the Senate website in 2005—five times more than the estimated 8 million visitors in 2001. The latest changes and additions to the Senate Web site will greatly assist these visitors in connecting with their Senators and in finding the information they seek.

Senate.gov Web Development Projects

Web Technology staff worked with content providers to create several special features for the Senate website:

The Political Cartoons of Puck Exhibit

Puck, a satirical weekly magazine that parodied the American political scene was one of the most popular periodicals of the late 19th century. The new Puck Exhibit on senate.gov includes slideshows of Puck cartoons and "Take the Puck Challenge," an innovative, interactive series of riddles designed to give readers insight to the political satire.

Birds of the Brumidi Corridors Exhibit

Constantino Brumidi included designs for more than 350 individual birds of at least 100 species in his paintings in the Senate corridors. A new exhibit on senate.gov features these paintings of birds in several slideshow presentations.

World War II: The Senate and the Nation's Capitol

This slideshow photo exhibit focuses on the Senate and the role it played in supporting the war effort and its aftermath and honors the brave men and women of World War II who sacrificed so much to preserve the ideals of liberty and representative democracy.

LEGISLATIVE INFORMATION SYSTEM (LIS) PROJECT

The Legislative Information System (LIS) is a mandated system (Section 8 of the 1997 Legislative Branch Appropriations Act, 2 U.S.C. 123e) that provides desktop access to the content and status of legislative information and supporting documents. The 1997 Legislative Branch Appropriations Act (2 U.S.C. 181) also established a program for providing the widest possible exchange of information among legislative branch agencies. The long-range goal of the LIS Project is to provide a "comprehensive Senate Legislative Information System" to capture, store, manage, and distribute Senate documents. Several components of the LIS have been implemented, and the project is currently focused on a Senate-wide implementation and transition to a standard system for the authoring and exchange of legislative documents that will greatly enhance the availability and re-use of legislative documents within the Senate and with other legislative branch agencies. The LIS Project Office manages the project.

Background: LISAP

An April 1997 joint Senate and House report recommended establishment of a data standards program, and in December 2000, the Senate Committee on Rules and Administration and the Committee on House Administration jointly accepted the Extensible Markup Language (XML) as the primary data standard to be used for the exchange of legislative documents and information.

Following the implementation of the Legislative Information System (LIS) in January 2000, the LIS Project Office shifted its focus to the data standards program and established the LIS Augmentation Project (LISAP). The over-arching goal of the LISAP is to provide a Senate-wide implementation and transition to XML for the authoring and exchange of legislative documents.

The current focus for the LISAP is the development and implementation of an XML authoring system for legislative documents produced by the Office of the Senate Legislative Counsel (SLC) and the Office of the Enrolling Clerk. The XML authoring application is called LEXA, an acronym for the Legislative Editing in XML Application. LEXA features many automated functions that provide a more efficient and consistent document authoring process. The LIS Project Office has worked very closely with the SLC to create an application that meets the needs for legislative drafting.

LISAP: 2005

The SLC began using LEXA to draft legislation in early 2004. The SLC offered valuable feedback throughout that year on LEXA's continued development as new features were added and additional document types, such as amendments and reported bills, were added. Just prior to the beginning of the 109th Congress, the LIS Project Office provided a one-day training course on several new and enhanced features of LEXA, and the SLC began 2005 creating 60 percent of their drafts of introduced bills and resolutions in XML. By the end of the session, 80 percent of all introduced and reported bills and resolutions (and countless amendments) had been created in XML. Several very large drafts were created in XML, including the energy bill and the highway bill. Feedback and development continued throughout 2005. Additional features and document types—conference reports, constitutional amendments, and engrossed and enrolled bills—were added to LEXA. LEXA's authoring environment offers many automated document creation functions, providing a faster, more consistent drafting process.

As LEXA becomes more widely used in the SLC and other offices, support of the application becomes increasingly important. The 2004 Legislative Branch Appropriations Act directed the Government Printing Office (GPO) to provide support for LEXA. GPO took over maintenance and support of the software module that converts a Senate XML document to locator for printing through Microcomp, and is now updating the software to print House XML documents. GPO is also working to solve problems with the software that creates and prints tables, and that table tool will be replaced with a more robust one sometime in 2006.

The LIS Project Office worked closely with several key House, GPO, and Library of Congress groups involved in the XML project to ensure that the House and Senate XML authoring applications produce compatible electronic and printed documents that may be exchanged among the organizations processing the documents.

The groups held several meetings in August and agreed to use the same tools to create tables and print XML documents through Microcomp. The House and Senate software development groups also reached agreement on several technical authoring issues and standards, thereby eliminating the need for additional processing when a document is exchanged between the House and the Senate.

The project to convert the compilations of current law to an XML format was completed in early September. Staff in the House and Senate Legislative Counsel Offices update the compilations, and both groups participated in the project. The compilations are used as the basis for many legislative drafts and having the XML data will make it easier for both offices to use the text of compilations for drafting legislation in XML.

The LIS Project Office provides support for LEXA via the LEXA HelpLine and LEXA website. The HelpLine is provided through a single phone number that rings on all the phones in the office, and the website is located on a server accessible by the legislative branch. The website, legbranch.senate.gov/lis/lexa, is used to distribute updates of the application to GPO and provides access to release notes, the reference manual, and other user aids. The Office continued to update the LEXA Reference Manual as new features were added to LEXA. The manual provides screen shots and step-by-step instructions for all LEXA features. The Office also trained new SLC staff and the Enrolling Clerks on LEXA and provided several demonstrations on new LEXA features throughout the year.

The document management system (DMS) for the SLC will be implemented once the SLC has completed the transition from XyWrite to LEXA. The Systems Development Services group of the Office of the Sergeant at Arms continues to update the DMS to the most recent releases of Documentum and verifies that all SLC requirements will be met. The Systems Development Services group provides support and maintenance for the LIS/DMS, and that group will also support the DMS for the SLC once it is deployed. The LIS Project Office has been monitoring the upgrade effort and will contract for transition training to be developed and delivered prior to implementation. The DMS will be integrated with LEXA and will provide a powerful tracking, management, and delivery tool.

LISAP: 2006

The Office of the Enrolling Clerk will begin to use LEXA to produce engrossed and enrolled bills in XML from the XML versions of introduced and reported bills. The Legislative Branch XML Technical Committee will work together to develop the document type definitions for creating appropriations bills. Once the definitions are completed and validated, the LIS Project Office will enhance LEXA to add the ability to create appropriations language, starting first with appropriations amendments created by the SLC. Following that, we hope to begin discussions with the Appropriations committee staff that prepare the bills for printing.

The LIS Project Office will continue to work with the SLC and the Office of the Enrolling Clerk to refine and enhance LEXA so that more and more of the documents produced by those offices will be done in XML. Once all of the documents can be produced in XML using LEXA, those offices will be able to stop using XyWrite. Since XyWrite is not compatible with other Windows software, moving away from it will allow the offices to use more modern technologies for all functions. For example, eliminating XyWrite will finally give the SLC the opportunity to implement a document management system and automate other office functions. Other Senate offices that do drafting with XyWrite may begin using LEXA, including the Committee on Appropriations. Thus far in the second session of the 109th Congress, approximately 96 percent of introduced bills and resolutions have been created as XML documents.

The legislative process yields other types of documents such as the Senate and Executive Journals and the Legislative and Executive Calendars. Much of the data and information included in these documents is already captured in and distributed through the LIS/DMS database used by the clerks in the Office of the Secretary. The LIS/DMS captures data that relates to legislation including bill and resolution numbers, amendment numbers, sponsors, co-sponsors, and committees of referral. This information is currently entered into the database and verified by the clerks and then keyed into the respective documents and reverified at GPO before printing. An interface between this database and the electronic documents could mutually exchange data. For example, the LIS/DMS database could insert the bill number, additional co-sponsors, and committee of referral into an introduced bill while the bill draft document could supply the official and short titles of the bill to the database.

The Congressional Record, like the Journals and Calendars, includes data that is contained in and reported by the LIS/DMS database. Preliminary DTDs have been designed for these documents, and applications could be built to construct XML doc-

ument components by extracting and tagging the LIS/DMS data. These applications would provide a faster, more consistent assembly of these documents and would enhance the ability to index and search their contents. The LIS Project Office will coordinate with the Systems Development Services Branch of the Office of the Sergeant at Arms to begin design and development of XML applications and interfaces for the LIS/DMS and legislative documents. As more and more legislative data and documents are provided in XML formats that use common elements across all document types, the Library of Congress will be able to expand the LIS Retrieval System to provide more content-specific searches.

NEW TECHNOLOGY IN THE SENATE

Senator ALLARD. Thank you for your leadership. Businesses and agencies have to make constant decisions about the technology that they use in their offices. You have shared with us some of the high tech services that you're providing to the public and to Members of the Senate. How does your office continue to take advantage of technological developments and incorporate them into your services provided to the Senate, when do you determine that the technology has ripened to the point where you can bring it in and not create a lot of problems? How do you make those kind of decisions?

Ms. REYNOLDS. You know that's a great question, and the Sergeant at Arms is very much a partner with us in any technological development, as they, as you know better than I, certainly have the lead in this for the Senate. I think the pilot projects, I mentioned the flag project in particular, we have a number of pilots going with disbursing through our financial management information system. The best way for us to determine when something is ripe if you will, or ready for a roll out is because we've been through that pilot phase and we've worked directly with Senate offices to understand what works and what doesn't work, so they're invaluable to us in that feedback.

But you're right, staying ahead of that curve, whether it's something small, like being able to book the LBJ room online, or order your paper online for your office through printing and documents to something as large as our Senate amendment tracking system, or our FMIS project with disbursing, we're constantly striving to serve this community better.

And I also want to make one quick mention as well, on the website of a new addition that hopefully will be rolled out this year, because as I've said, keeping that website fresh, especially for the public, is important to us. And there should be one addition coming there on the Senate desks, which I think will be of enormous interest to you and your colleagues and also to the public. Actually going in and looking at each desk, explaining its history, talking about the conservation of the desk. So again, from simple things to large, and again remaining current for the public we're constantly striving to stay ahead of the curve if you will.

LOBBYING DISCLOSURE REPORTS

Senator ALLARD. Very good. I'm going to move on to the Office of Public Records, which is under your jurisdiction as Office of the Secretary of the Senate. We're looking at lobbying reform, and it has the potential to increase filings by a considerable amount as I understand it. Could you give me an overview of that operation

and tell me whether you have sufficient resources to implement a significant increase in filings?

Ms. REYNOLDS. I really appreciate that question and obviously there's been a great deal of discussion here in these last few weeks alone. Our public records office has been in the business of receiving those lobbying disclosure reports now, for just over a decade, since the passage of the LDA. And as you well know we currently receive those filings twice a year, mid-February and again mid-August. I have a couple of statistics for you that are also in our written report. There are roughly 6,500 registrants who represent just over 20,000 clients. They employ almost 33,000 individuals, so it's a big number. All told that means that our Office of Public Records, reviews about 45,000 documents a year.

I'm also very proud that the lobbying community has been able to e-file with the Senate since the year 2000. And in fact since 2001, lobbying reports and registrations as far back as 1998 have been posted on senate.gov for public access. Our role in public records with regard to the LDA is an administrative role. We do not have the enforcement authority. That belongs to the U.S. attorney of the District of Columbia. But since 2003 we have referred approximately 2,100 registrants to the U.S. Attorney's Office. Virtually all potential nonfiling and a handful for noncompliance. I'm particularly grateful for the second part of your question, because obviously no one is precisely sure at the moment where this journey ultimately takes us. And while we're staying on top of the situation I may well be back to this subcommittee at the appropriate time to make a plea, first of all for time, because if there is substantial change that we undergo in the receipt of these documents we will need time to implement, and second of all the potential for additional resources exists.

But I think with your permission if we could continue to stay in touch on this as this issue evolves we would be very grateful.

Senator ALLARD. Yes. As we get a clearer view of what the legislation might look like, we do want to stay in touch with your office in that regard.

Ms. REYNOLDS. Thank you, that would be very helpful.

STUDY OF SENATE STAFF PAY

Senator ALLARD. I just have a couple of other brief questions just for the record. Last year your office received funds to conduct a pay study of Senate employees, and can you tell me what the status of this study is?

Ms. REYNOLDS. The study is in draft form. In fact we were talking about working groups, we have a working group coming together this afternoon with office administrators and chiefs of staff to review our first draft. So it is in process, and hopefully we'll have the study out to the community here within the next month.

Senator ALLARD. Good.

Ms. REYNOLDS. I appreciate you asking the question too, if I might make one plea to those watching today. For the study to be effective and for it to produce the kind of results that the community is hoping for in terms of looking at hiring practices, benefits, salaries and so forth, we need as much participation as possible.

So thanks for mentioning it today, so I can make my plea to our Senate offices to help us with this survey.

FEDERAL ELECTION COMMISSION ONLINE FILING

Senator ALLARD. And finally, if the Senate moves to online Federal Election Commission (FEC) filing, for campaign committees, what resources will your office need to make this conversion? Would you comment on that?

Ms. REYNOLDS. Yes sir. Like most everything else around here, we're poised to act when the Senate acts, but I think on this one, just like with lobbying disclosure if there is substantial change coming our way, and if the Senate decides to move to e-filing, we will need time. A minimum of 6 months and possibly up to 1 year to be able to implement the program and there will be a need for additional resources. We're still looking at those numbers and some are dependent on what hardware, what software needs we'll have at that time. So again so I may be back hat in hand depending on those decisions made.

Senator ALLARD. Your main demand would be for basically hardware to process the electronic filing?

Ms. REYNOLDS. Right. Hardware——

Senator ALLARD. But it seems to me you would need fewer people, because you wouldn't have to have that data entry that you have.

Ms. REYNOLDS. Possibly, but we're a pretty lean and mean operation in public records right now. I think our total staff there right now, is nine. And for example on lobbying disclosures there are three people on a daily basis dedicated to lobbying disclosure but when those reports start to hit in mid-February, mid-August, everybody helps out. So we'd be happy to take a look at that, as I said, we run a pretty lean and mean shop with folks who are capable of multitasking when the need arises.

Senator ALLARD. Just asking you to look at it carefully.

Ms. REYNOLDS. We shall.

Senator ALLARD. I'm sure you will.

Ms. REYNOLDS. Thank you.

Senator ALLARD. Thank you for your testimony. We don't have any other questions from the subcommittee, and so we won't tie up your time, I know you're busy and I'll call up the second panel.

Ms. REYNOLDS. Thank you sir.

ARCHITECT OF THE CAPITOL

STATEMENT OF ALAN M. HANTMAN, FAIA, ARCHITECT OF THE CAPITOL

ACCOMPANIED BY:

STEPHEN AYERS, CHIEF OPERATING OFFICER

MARK WEISS, DIRECTOR, CAPITOL POWER PLANT

WELCOMING REMARKS

Senator ALLARD. Okay. Now we turn to the second panel. And before I make my formal remarks. I just want to recognize Mark Weiss who's now our new Director of the Capitol Power Plant, and Mark, welcome. And now, we'll turn to the Architect of the Capitol, to review the fiscal year 2007 budget request. Again welcome Mr. Hantman and Chief Operating Officer Stephen Ayers. Mr. Ayers was named Chief Operating Officer on Monday.

Mr. AYERS. Yes sir.

Senator ALLARD. You've been in the position on an acting basis for several months and I think you did a good job then.

Mr. AYERS. Thank you.

FISCAL YEAR 2007 BUDGET CONCERNS

Senator ALLARD. We congratulate you on this new position and wish you the best of luck. The AOC budget request totals $588 million, an increase of $164 million or 38 percent, over the current budget. This is the largest increase proposed by any Federal agency for the fiscal year 2007. While I commend the process your agency has developed, you prioritized major construction projects, clearly we need to do some paring back. There are a number of large projects in the budget, including $54 million for a new Library of Congress warehouse at Fort Meade, $20.6 million to complete the Capitol Visitor Center, $19 million for renovations to the infrastructure and the Dirksen Senate Office Building, and $15.9 million to replace the fire alarm system in the Hart Senate Office Building. Other large increases in the budget include $20 million for 91 new employees for the CVC operation, and a $10 million increase for information technology projects.

SAFETY HAZARDS IN THE UTILITY TUNNELS

While these projects may be meritorious, and urgently needed, we will need to scrub each of them carefully and only fund the very highest priorities. In addition to budget issues, we'd like to discuss the complaint recently filed by the Office of Compliance for AOC's failure to comply with the citation issued almost 6 years ago directing the AOC to correct serious safety hazards in the utility tunnels by 2002. This is the first time the Office of Compliance has issued a complaint, demonstrating the magnitude of this very serious

problem. The hazards include structural deficiencies that could lead to cave-ins, inadequate communication systems for workers in the tunnels, and inadequate means of egress.

Finally we look forward to an update on projects that are currently underway as well as your efforts to address management challenges identified by the Government Accountability Office. Before I turn to you for your testimony Mr. Hantman, I want to ask the ranking member who just arrived if he has any comments.

Senator DURBIN. Mr. Chairman I apologize, we have an immigration bill markup in Judiciary, one floor above and I've spent time back and forth, and I'm sorry that I came in late for this. I want to get into the whole question about the safety aspects of the workplace at CVC and particularly this troubling report about the presence of asbestos in the tunnels and the danger that it creates for the employees that could be inhaling these lethal time bombs. I was not aware of how serious this was, or how long it had been pending for a resolution. I think it should have been taken care of years ago. I don't know how many workers have been exposed, if any—I pray to God none. But if they have we've done them a great disservice. I thank you for your continuing oversight on this project and I will stay to ask some specific questions as time allows.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD J. DURBIN

Thank you, Mr. Chairman, for scheduling today's second budget oversight hearing of fiscal year 2007 where we will hear testimony on the budget requests of the Secretary of the Senate and the Architect of the Capitol.

I want to join the Chairman in welcoming today's witnesses, Emily Reynolds, Secretary of the Senate, and Alan Hantman, Architect of the Capitol.

Thanks to both of you for attending this morning.

Ms. Reynolds, welcome back to the subcommittee for your fourth year as Secretary of the Senate. I think that you and your staff are doing a superb job and your budget request looks very straightforward.

My staff and I greatly appreciate your guidance and leadership in the CVC decision-making progress. I realize that this has been a long, difficult, and at times frustrating process. Your dedication and determination are very admirable.

I would appreciate any comments you might wish to include with regard to the CVC.

Mr. Hantman, first of all I would like to acknowledge the outstanding day to day work of all of your employees. I think it's easy to overlook the hard work that goes into the seamless running of this complex on a daily basis. This is a very well qualified and hard-working group of men and women and I appreciate their contribution to this complex. I think we should all extend our gratitude to them for their service. I would like to especially thank Carlos Elias, Don White, Barbara Wolanin, and Adrienne Powers, of your staff for their extra efforts on behalf of my staff in the Assistant Democratic Leader's office.

I would like to welcome Mr. Stephen Ayers, who has just been named as Chief Operating Officer at AOC. Mr. Ayers has been serving as Acting COO for quite some time and I'm glad to see that he will be serving in this capacity permanently.

Mr. Hantman, I am encouraged by the overall progress your office is making in the area of worker safety. However I am deeply concerned about the situation involving the workers in the utility tunnels. The OSHA complaint recently filed by the Office of Compliance citing "potentially life threatening working conditions" in the utility tunnels that provide steam and chilled water throughout the Capitol complex presents a situation that must be addressed immediately.

This situation was first brought to your attention in 2000. However, since then, it appears that very little has been done to address the very serious problems that exist in these tunnels.

I am particularly troubled by the presence of asbestos in the tunnels. I have met with so many families who have been affected by asbestos-related illnesses in my work outside of this subcommittee. When these workers are inhaling these fibers

they are inhaling time bombs. I doubt the workers in these tunnels realize how serious this situation is.

I hope you will update the Subcommittee on the steps you are taking to expedite the repair of these tunnels. Chairman Allard and I recently granted you the authority to reprogram $1.8 million for a portion of this work and I think that's a step in the right direction. But this situation must be completely resolved as soon as possible so that these workers' lives are not put in jeopardy by merely doing their jobs. Frankly, it should have been taken care of years ago.

Last month in their report entitled, "Architect of the Capitol—Management Challenges Remain,"—GAO noted that you have still not filled several leadership positions on your staff such as Chief Financial Officer, Chief Administrative Officer, Director of Congressional and External Relations, and Director of Planning and Project Management. I am glad that you recently filled the long-vacant position of Director of the Capitol Power Plant. However, I hope you will explain to the subcommittee when you plan to fill these other crucial positions.

Finally, Mr. Hantman, Chairman Allard has already summarized your fiscal year 2007 budget request so I won't repeat the details. I do want to emphasize, however, the importance of prioritizing your requests. It troubles me to see a $54 million request for a Library of Congress construction project while very serious repair and maintenance problems exist around the complex. In a time of tight budget constraints such as this, new construction projects should have to take a back seat to important maintenance and repair needs that continue to lag on around this complex.

Thank you Mr. Chairman.

Senator ALLARD. Okay, let me now turn to the Architect of the Capitol, Mr. Hantman, we're looking forward to your testimony.

SUMMARY STATEMENT OF ALAN M. HANTMAN

Mr. HANTMAN. Good morning, Mr. Chairman, Senator Durbin, thank you for the opportunity to testify today, regarding our fiscal 2007 budget request. My full statement has been submitted for the record, however I would like to give a brief overview of this request. Mr. Chairman in our role as stewards, the AOC is responsible for 15 million square feet of buildings, and more than 300 acres of land. The Capitol complex is in reality a small city; however it's a small city with an aging physical infrastructure, ever stricter codes and safety criteria to meet, as well as complex security requirements.

Our buildings range from 25 to 200 years old. This means that there are many projects that require our attention to assure that these buildings continue to serve as functioning working environments and that we preserve these national treasures entrusted to our care for generations to come.

Mr. Chairman we did not prepare this budget in a vacuum, unaware of the economic issues our country and this Congress are facing. I can appreciate the tough choices that this subcommittee must make as you hear from each legislative branch agency with its budget request. I can appreciate this because it's difficult for me to rank the relative needs and benefits of necessary security and fire and life safety projects needed across the Capitol campus.

How do I weigh the needs of the Library of Congress against those of the Capitol Police, or the Senate Sergeant at Arms against those of the Chief Administrative Officer of the House? The AOC is in the position of being a repository, if you will Mr. Chairman, for the needs of other agencies. They all have real needs that the AOC then becomes responsible for, and our budget request reflects these cumulative needs.

Our projects were prioritized through a progressive sequence of steps to determine which are most crucial. While it's my responsibility as steward of these buildings to bring these needs and issues to Congress' attention, I'm also aware that cuts will need to be made, as you mentioned Mr. Chairman, from that prioritized list. And I'm prepared to work with this subcommittee and other legislative branch agencies to determine which cuts to make so that we fit within the overall budget structure that this subcommittee ultimately allows.

Mr. Chairman, we prioritize our projects based on a set of criteria that allows us to evaluate the merits of those projects. Facility condition assessments conducted across most of our jurisdictions measure the current condition of all facilities to assess how much work is necessary to maintain, or upgrade their conditions to acceptable levels, and to determine the timeframe for this work. We hope to initiate this process at the Library of Congress, contingent on the approval of our budget request, so that we fully understand their facility needs as well. We'd then be able to appropriately prioritize their project needs based on the same criteria used for other jurisdictions.

In fact Mr. Chairman, the direction to perform condition assessments was given, and appropriately so, by this subcommittee back in 2002. And if I may quote from that language.

"Condition Assessments Master Plan. The Committee has provided an amount of $500,000 in the Capitol buildings appropriation and an amount of $1,100,000 in the Senate Office Building appropriation to initiate a comprehensive condition assessment of the Capitol complex. The assessment will be conducted in tandem with the development of a master plan for the Capitol complex and will include the collection of relevant information regarding buildings, inspection and equipment testing of properties and assets. Analysis and identification of deficiencies, identification of solutions, and costs, a forecast of future renewal requirements, and the development of long range comprehensive financial plans."

Mr. Chairman, we've been working diligently to fulfill the directives and develop meaningful information which, in fact, GAO has reviewed. It's important to note that according to the Government Accountability Office "While the FCAs—the facility condition assessments, have enabled AOC to develop a comprehensive plan for facilities, maintenance, and building renewal, the assessments have also documented the magnitude of AOC's deferred maintenance and other projects. $2.6 billion over 9 years, and the challenge of funding these projects."

Mr. Chairman, GAO's statement about "the challenge of funding these projects" is right on target. In a no-growth budget environment it's, of course, particularly challenging. With all due respect, if these facility infrastructure needs are not addressed within an appropriate timeframe, our buildings will continue to age and deteriorate and the cost to correct these deficiencies will continue to escalate in future years.

With regard to safety, it's a priority at the AOC, therefore I'm pleased to report that for the fifth year in a row, the AOC's injury and illness rate decreased. Last year we dropped to 5.65 from a high of 17.9 in fiscal year 2000. This is amazing because we're coming down to the level of many white collar organizations in the Federal agencies as well as across the Government.

While I'm proud of these accomplishments, I will not be satisfied until we achieve our ultimate goal of a workplace free of injury and illness. This includes the steam tunnels that were the subject of the Office of Compliance's complaint you discussed. Over the past several years, in the tunnels, we have rebuilt approximately 600 feet of tunnel roof under Constitution Avenue, at a cost of approximately $5 million. I think you might remember, Mr. Chairman, that for over 1 year the street on Constitution Avenue was ripped up. We had to replace the roof of that tunnel, that's one of the first items identified by our surveys that really needed to be taken care of up front.

We also contracted for the inspection of 19 tunnel egress points, developed an egress improvements work plan, replaced the South Capitol Street steam line, for another $5.5 million and that included making structural repairs to manholes.

We also implemented the in-house tunnel condition monitoring program last October which includes monitoring, recording and reviewing tunnel conditions daily. While this work was being planned and implemented, we have been working each year to remove spalls in areas where the concrete ceiling is damaged. We installed a leaky cable communication system in the major pathways in the tunnels. We currently have funding to install cable in the small stub pathways that come off the main tunnels. We are proceeding with that work and will get it done within the next months. We also provided our employees with confined space and asbestos awareness training.

Mr. Chairman, we've requested $1.75 million in the 2007 budget to fund priority projects in the tunnels. We've received approvals on a $1.8 million reprogramming to continue additional structural repairs, asbestos abatement, and emergency egress repairs. Significant additional funding will be required and we're working to determine the magnitude of that funding now.

In conclusion, Mr. Chairman, as GAO noted in its February 2006 report, we have made significant progress in our transformation into a more strategic organization. They state that the AOC has made progress in developing safety policies and establishing a safety training curriculum; has implemented a variety of communication methods to convey information to employees; has taken important initial steps to address the management and structure needed to establish a sound IT investment management process; has created a clearly defined, well documented and transparent process for evaluating and prioritizing projects. We're committed to fulfilling our responsibilities over the long term, although that means we have to make tough choices, as you indicated Mr. Chairman, with regard to how we select and prioritize our projects.

Our request for funds in 2007 is directly related to our responsibility as good stewards to maintain and preserve the facilities and national treasures in our care. I'm very proud of our 2,000 dedicated AOC professionals and I'm privileged to lead this remarkable organization.

PREPARED STATEMENT

I greatly appreciate the subcommittee's support in helping us achieve our goals, and once again thank you for this opportunity

to testify, and I'd be happy to answer any questions that you might have.

[The statement follows:]

PREPARED STATEMENT OF ALAN M. HANTMAN, FAIA

Mr. Chairman, Senator Durbin, members of the Committee, thank you for the opportunity to testify today regarding our fiscal year 2007 budget request. This request is structured to enable us to continue supporting the Legislative Branch by ensuring that the Capitol complex is safe and well maintained, our national treasures are preserved and protected, and we continue to provide high quality, efficient, and effective services to our customers.

STEWARDSHIP AND PRIORITIZING PROJECTS

In our role as stewards, the Office of the Architect of the Capitol (AOC) is responsible for some 15 million square feet of buildings and more than 300 acres of land. The Capitol complex is, in reality, like a small city. However, it is a small city with an aging physical infrastructure. Our buildings range from 25 years old for the Library's Madison Building, to more than 100 years old for the Russell, Cannon, and Jefferson buildings, to 200 years old for various parts of the Capitol Building. This means that there are many potential projects that call for our attention to ensure that these buildings continue to serve as functioning working environments for generations to come.

While it is my responsibility to bring these issues to Congress's attention, it is obvious that for practical considerations of construction and fiscal restraint, we must spread out the funding and physical workload over the course of multiple years. Therefore, we have prioritized these projects to determine which are more critical than others. In previous budget requests, my focus has been on ensuring that fire and life-safety deficiencies were corrected. With your support we have devoted significant resources toward protecting the people who work and visit Capitol Hill by continually working to improve the safety and security of our facilities. Protecting people is, and will continue to be, my top priority as evidenced by the number of fire and life-safety projects in our current budget request.

While developing this budget, we reviewed many annual operating and capital project requests. We made difficult choices regarding funding AOC operations, new programs, and high priority capital projects, while at the same time balancing the day-to-day needs of those we serve.

As a result, before we submitted our current request, we removed $44.3 million worth of important projects. The $588.3 million we have requested for fiscal year 2007 ($509.4 million without items specific to the House) was submitted in our role as responsible stewards of our national treasures and in support of the needs of Congress, while balancing requests for new initiatives.

It is important to note that we prioritize our projects based on a set of objective criteria that allow us to evaluate the relative merits of each of these projects. At Congress's direction, starting in 2004, we conducted a series of Facility Condition Assessments (FCAs) in most of our jurisdictions. We hope to continue the process with the Library of Congress, contingent on the approval of our fiscal year 2007 budget request. Our plan would be to survey the Library Buildings, in phases, beginning with the Madison Building. By completing FCAs for the Library of Congress buildings, we would fully understand their existing facility needs and would then be able to appropriately prioritize LOC projects with the same criteria used for other jurisdictions. These FCAs provide us with a method for measuring the current condition of all facilities in a uniform way to assess how much work is necessary to maintain or upgrade their conditions to acceptable levels to support organizational missions and when this work should occur.

According to the Government Accountability Office (GAO) in its February 2006 report to Congress, "While the FCAs have enabled AOC to develop a comprehensive plan for facility maintenance and building renewal, the assessments have also documented the magnitude of AOC's deferred maintenance and other projects—$2.6 billion over nine years—and the challenge of funding these projects." What this $2.6 billion breaks down into is a total of $886 million for deferred maintenance and capital renewal projects as identified in the FCAs (excluding the Library of Congress and the Supreme Court), with the remaining balance identified for capital improvements ($1.1 billion) and capital construction projects ($69 million). Mr. Chairman, GAO's statement about "the challenge of funding these projects" is right on target. In a no-growth budget environment, it is particularly challenging. If these facility infrastructure needs are not met in appropriate timeframes, the conditions of our

buildings will continue to deteriorate and the cost to correct these facility maintenance deficiencies will continue to rise.

A very recent example of capital renewal is demonstrated by the issuance of a complaint by the Office of Compliance (OOC) regarding the utility tunnels which provide steam and chilled water to the Capitol complex. We are taking a comprehensive approach to addressing the existing issues in the tunnels and are identifying a logical sequence to the necessary actions that will be taken. We have presented this plan to the OOC. Over the past several years we have completed these and other tasks in the utility tunnels: replaced the top of approximately 600 feet of the tunnel under Constitution Avenue at a cost of approximately $5 million; contracted for inspection of 19 tunnel egress points and developed an Egress Improvements Work Plan; replaced the South Capitol Street steam line and vault for approximately $5.5 million which includes making structural repairs to manholes. We have also implemented an in-house Tunnel Condition Monitoring Program in October 2005 which includes monitoring, recording, and reviewing tunnel conditions daily; and we have been continually working to remove incipient spalls in areas where the concrete ceiling is damaged.

We have requested $1.75 million in the fiscal year 2007 budget to fund priority projects involving the tunnels. We recently received approvals from the Senate and House on a $1.8 million reprogramming request to continue additional structural repairs, asbestos abatement, and emergency egress repairs in the tunnels. Additional significant funding will certainly be required and we are working to determine the magnitude of that funding now.

OVERALL PLANNING PROCESS

In terms of our overall planning process, when all of the Facility Condition Assessments are completed, they are rolled into a five-year Capital Improvement Plan (CIP). The CIP, which became fully integrated in the fiscal year 2006 budget process, is used to evaluate projects based on an objective set of criteria, including:

—Fire and life safety, code compliance, regulatory compliance, and statutory compliance.
—Preservation of historic or legacy elements or features of buildings or entire historic structures as a reflection of the importance of stewardship responsibilities.
—Impact on our mission, including client urgency.
—Economics, including value, economic payback, life cycle cost considerations, and cost savings.
—Physical security, including protection of facilities, Members, staff, and the general public.

The projects are further evaluated based on necessary timeframes and on an evaluation of the conditions of the components and sub-materials. These condition ratings are characterized as one of the following: Adequate, sub-standard, and deficient.

They are then further rated as to the urgency in accomplishing them as follows:

—Priority 1—Immediate: Safety or code violations, as well as critical equipment that is either not functioning or close to failure.
—Priority 2—High: Items need attention in the near term, as failure would impact the mission. Implemented within two to four years.
—Priority 3—Medium: Implemented within five to seven years.
—Priority 4—Low: Low priority projects related to aesthetics or minor performance issues. Implemented within 8 to 10 years.

All projects with an "immediate" urgency are given priority over projects for which the urgency is "high" and so on. Additionally, "deferred maintenance" projects are generally considered a higher priority than "capital renewal." Using the CIP process, once all of the FCAs are complete, we will be able to comparatively vet the projects to ensure that the most urgent get addressed most quickly. It is this multi-step methodology that has been used to produce the fiscal year 2007 Capital Improvement Project Priority List that we submitted for your consideration. Those projects that can be accommodated within the budget level that is ultimately approved will move forward in fiscal year 2007.

There will continue to be refinements to our project development process. However with implementation of the prioritization process, future program submissions will clearly be based first on the urgency of accomplishing the project, followed by consideration as to the type of project and its importance; with emphasis placed on deferred maintenance projects. These changes will result in an efficient and effective process and one that seeks to assure accuracy, responsible management of resources, and efficient development of programs.

Ultimately, the Capitol Complex Master Plan will ensure that we continue to be good stewards by establishing a framework that helps us prioritize the maintenance, renovation, and construction of Capitol Hill facilities over the next 5, 10, and 20 years, while also spreading out the costs of that upkeep and construction.

In addition to these new processes we have made changes to our organizational structure to improve how these projects are carried out. With Congress's approval, we established the Project Management Division which is charged with consolidating project and construction management functions to provide "cradle-to-grave" oversight of our projects. We have developed and implemented new processes that are designed to improve project tracking and reporting as well as to hold our consultants and contractors accountable for contract compliance. We recently reinstated our quarterly report to communicate the budget and schedule status of ongoing projects, the latest of which was delivered to the Senate and House Appropriations Committees in January and was well received by staff.

CAPITAL PROJECTS BUDGET

Our fiscal year 2007 budget is comprised of two major components: $232 million for capital projects and $356.3 million for our annual operating budget.

The capital projects budget request consists of $193.4 million for capital projects, $22.7 million for studies, designs, and condition assessments, and $15.9 million for minor construction. This budget was developed by prioritizing our project requirements; including those requested by our customers. Using this set of criteria, we were able to cut our initial list of 36 projects totaling more than $188 million to 19 projects worth $143.7 million. However, the projects that did not make this current list have not gone away, nor has the need to fund them within reasonable timeframes. They will have to be reprioritized for another fiscal year where they will again compete with other significant, additional projects for available funding.

The capital projects budget is grouped into the categories listed below (also shown in Attachment A). Note that these include a number of U.S Senate projects that have been designed to be completed in phases that we hope to continue next year. They include public restroom upgrades, modular furniture replacement, emergency generator installation, and fire alarm system upgrades.

Deferred Maintenance—$30.4 million

Maintenance or repair work on existing facilities and infrastructure that is past due and should not be deferred. This work will return a component or system to an acceptable condition. It will prevent physical depreciation or loss in the value of a building (this does not include preventative or routine maintenance).

Projects include:

—$19.43 million—Dirksen Senate Office Building; attic infrastructure improvements;

—$4 million—Rayburn House Office Building; 480v Switchgear and Transformer Replacement;

—$2.89 million—Thomas Jefferson Building; air handling unit replacement; and

—$2.56 million—Thomas Jefferson and James Madison Buildings; elevator modernization projects.

Capital Renewal—$24.3 million

Correct unacceptable conditions caused by aged building components that will exceed their useful life within the next 10 years. If deferred for an inordinate amount of time, physical conditions may deteriorate and become a deferred maintenance issue. Capital renewal may be performed by overhaul, reconstruction, or replacement of constituent parts damaged or deteriorated to the point where they cannot be maintained.

Projects include:

—$15.95 million—Hart Senate Office Building; fire alarm system replacement; and

—$8.34 million—Longworth House Office Building; kitchen exhaust system upgrade.

Capital Improvement—$41.1 million

Work done to a building that improves, enhances, or updates a building such as an addition, expansion, alteration, or replacement including work done to bring a building into compliance with current codes.

Projects include:

—$6.1 million—Russell Senate Office Building; emergency lighting and power upgrade;

—$4.96 million—Rayburn House Office Building; emergency lighting upgrade;

—$3 million—Rayburn House Office Building; Phase I public restrooms upgrade;
—$3.5 million—U.S. Capitol; security improvements in the House Chamber; and
—$4.37 million—Thomas Jefferson Building; sprinkler system replacement.

Capital Construction—$63.7 million

Construction of a new building, facility, or other infrastructure where none previously existed.

Projects include:
—$54.2 million—Library of Congress Logistics Warehouse, Fort Meade;
—$5.35 million—Alternate Computer Facility; vehicle storage facility; and
—$4.1 million—U.S. Capitol Police; kiosks.

Other Projects—$12.3 million

Projects necessary to sustain and provide for Congressional and Legislative Branch Agency mission requirements that do not meet CIP criteria (construction projects greater than $250,000).

Projects include:
—$5 million—Alternate Computer Facility; land purchase; and
—$2.1 million—Energy Survey of Congressional Buildings.

Study, Design, and Condition Assessments—$22.7 million

Activities necessary to plan for future projects.

Projects include:
—$1 million—James Madison Building; Facility Condition Assessment;
—$3 million—FDA; fit out design study;
—$750,000—Longworth House Office Building; fire alarm system upgrade;
—$700,000—U.S. Capitol; electrical distribution system replacement design; and
—$300,000—Cannon House Office Building; egress improvements study.

Minor Construction—$15.9 million

Minor construction funding for each jurisdiction that provides the flexibility for meeting unplanned project requirements generated by Committees, Members, staffs, and other AOC clients.

Capitol Visitor Center—$21.6 million

The fiscal year 2007 budget request includes $20.6 million for CVC cost-to-complete. Also included is $1 million for start-up and operational costs associated with opening the CVC, including one-time costs such as furniture, equipment, computers and other necessary items. GAO's ongoing analysis recommends adding $5 million to this amount to accommodate risk for further time extension and contingency for a total of $25.6 million for project cost-to-complete.

While recognizing that the cumulative effect of the projects listed above represent a significant increase over fiscal year 2006 levels, these projects were considered our highest priorities. Although hard decisions were made to reduce the amount of our overall request, further cuts will likely be necessary to accommodate Federal budget limitations. Once again, this means that the projects that are eliminated will be deferred to successive years where they will again compete with other additional, significant projects for available funding.

ANNUAL OPERATING BUDGET

Our fiscal year 2007 annual operating budget request of $356.3 million reflects the addition of significant mandatory price level increases as well as new programs.

The key drivers of this increase include:
—Forty percent growth in utility costs over fiscal year 2006 enacted levels due to the recent deregulation of electric power and the increased cost of natural fuels following the devastation in the Gulf Coast caused by Hurricane Katrina last summer.
—Mandatory payroll increases and the addition of 91 FTEs to support daily operations and maintenance of the Capitol Visitor Center (CVC).
—One-time CVC operations costs to purchase furniture, equipment, computers, and other necessary items.
—Re-establishing Information Technology base resources and upgrading systems.
—Leases and/or maintenance and operations of additional facilities.

Utilities

With regard to utilities, in an effort to offset cost increases, we have initiated a number of energy conservation measures. The first was to develop two Energy Savings Performance Contracts to upgrade equipment and save energy, at no additional cost to the government. Contractors are paid from proven energy savings. Other ef-

forts involve developing a five-year plan to conduct energy audit surveys of all buildings on the Capitol campus, and publishing a brochure about saving energy throughout the Capitol complex to be distributed to Hill staff.

In addition, the Capitol Power Plant staff has successfully completed a number of new maintenance projects to improve the performance, safety, and reliability of the boiler house and chilled water plants. As part of the West Refrigeration Plant Expansion Project, three new chillers became operable in November 2005. With the addition of this new equipment, we will experience greater efficiencies at the Plant and remove old mechanically and environmentally outdated machines.

CVC Day-to-Day Operations

In anticipation of the start-up and operational costs associated with the Capitol Visitor Center, our annual operating budget request includes funds to cover day-to-day operational and maintenance requirements as well as anticipated one-time costs such as furniture and equipment, computers, and other necessary items. Until such time as the Congress decides the issue of reporting relationships and governance of the CVC, we have included these costs in the AOC's budget, including $10.6 million for payroll costs associated with the hiring of an additional 91 FTEs.

Information Technology

Another factor driving our operating budget request for fiscal year 2007 is an increase in investment in information technology. In our fiscal year 2006 budget request, we had cut the base resources in an attempt to constrain growth. Our intention was to fund information technology program shortfalls with lapses in payroll or other general and administrative areas, but that strategy has not worked well in the current fiscal environment due to rising costs of utilities and other expenses. Therefore, we are requesting $25.7 million to re-establish these base resources and to protect our IT systems by installing the latest technology security programs as required, preparing for future technological needs, and improving internal operations by replacing our project information system and upgrading the interface of our inventory control system to our financial system.

The February 2006 GAO Report notes that "the agency has yet to establish and implement key information security practices, such as completing risk assessments on all of its major applications, documenting the identified risks in system security plans, and developing and implementing appropriate security controls to mitigate the risks—including developing contingency plans for all systems and applications. Until AOC completes and implements plans for improvement that are consistent with all our recommendations, it will be challenged in its ability to effectively use IT to optimize mission performance." Updating our IT systems is a crucial part of achieving these tasks as outlined by GAO.

SENATE OFFICE BUILDING IMPROVEMENTS

A number of projects that we have requested funding for in next year's budget for the Senate Office Buildings focuses on upgrading and replacing equipment that has exceeded its useful life expectancy or updating the historic buildings to meet modern requirements. For example, we are requesting $19.4 million to replace the air handling units in the Dirksen Building to improve building ventilation and to ensure the system's reliability since the existing equipment is more than 40 years old and inefficient. We have also requested $6 million to upgrade emergency lighting in the Russell Building; $15 million to upgrade the fire alarm system in the Hart Building; and $5.8 million to install an emergency generator in the Russell Building to provide electrical power in an emergency.

CAPITOL VISITOR CENTER BUDGET

While most of our projects are worked on behind the scenes, underneath the East Front of the U.S. Capitol work is proceeding on the largest and most complex project in the history of the Capitol—the Capitol Visitor Center. Our fiscal year 2007 budget request would fund CVC operations, administration, facility maintenance, and construction cost-to-complete. The requested funding also would support the required activities and programs for transitional and start-up costs, exhibits, gift shops, telecommunications, and information technology infrastructure support. The Capitol Preservation Commission (CPC) supports the AOC's request for operational funding as an interim measure until it is determined how, and by whom, the CVC will be operated.

At our February hearing before this Subcommittee, we testified that we are now anticipating the CVC to be completed, including commissioning of life-safety systems, in March 2007, and available for a formal opening in April 2007. We reported the two key issues prompting that time extension are the delays in the delivery and

installation of interior stone due to a court injunction and a longer-than-expected duration for the fire and life-safety acceptance testing process.

The project schedule extension has impacted the overall project cost-to-complete. Last fall, we concurred with GAO's assessment that potential risks do exist and that additional funds would be necessary should these risks turn into reality; most notably if completion of the CVC occurred after December 2006, or if significant additional change orders were required. After meetings held the past several months with GAO and our construction manager, Gilbane, we anticipated that the delay, along with additional change orders and the potential for future project risks, could increase the project's cost-to-complete by approximately $20.6 million. This is the amount we requested in the fiscal year 2007 budget. GAO's ongoing review however, has resulted in a revised estimate of the cost-to-complete which adds approximately $5 million to this amount for risk, further time extension, and contingency. Accordingly, Mr. Chairman, if you concur, we will work with you to effect this adjustment in order to ensure that there are adequate contingencies as we work to complete the CVC.

Further information on the status of the project and a construction update is provided in my testimony specifically addressing the Capitol Visitor Center which will be discussed following this portion of the hearing (attached).

ACCOMPLISHMENTS

Over the past 10 years, the AOC has been undergoing a transformation into a more strategic organization by implementing new policies and procedures, while at the same time continuing to meet our responsibilities as good stewards. I appreciate the efforts of AOC employees in balancing their heavy workloads with implementing these important changes to our organization.

At this time, I would like to highlight some of the major AOC accomplishments of the past year. As GAO has noted in its February 2006 report, we have made significant progress in our transformation efforts, we continue to make progress, but the "transformation is a long-term effort."

Strategic Plan

A key component in this effort has been the implementation of our Strategic Plan in 2003. The Plan has provided us with a blueprint for change by defining our mission, vision, and core values and created a structure of goals, and objectives through which we focus our efforts. As we begin the third year of this five-year plan, it continues to evolve. As part of our Strategic Performance Initiative, we are developing and implementing meaningful performance measures that will be linked to our daily activities and resource requirements. In the spirit of the Government Performance and Results Act, we have developed an "AOC dashboard" document which includes several high-level indicators to track performance for each of our strategic goals as well as a target goal for each indicator. Our senior leadership team meets monthly to monitor these indicators and goals to ensure that we meet the milestones we have set in our Performance Plan.

Work Orders

In fiscal year 2005, we completed nearly 34,200 work orders in the Senate Office Buildings. To date, we have completed more than 19,000 work orders in fiscal year 2006. These are tasks that are requested of the AOC rather than programmed by our Agency and the work ranges from changing light bulbs, to fixing plumbing, to reconfiguring office space and painting. A number of other projects were completed during the past fiscal year. For example, we replaced the Rotunda balcony doors and installed high voltage switch gear in the Russell Office Building; we installed new modular walls and furniture in 10 Hart Building offices, and installed new wall sconces in the Dirksen Building. In addition, we completed the restoration of three Committee rooms in the Dirksen Building and one Committee room in the Russell Building as well as upgraded the audio and visual systems in these four rooms.

Special Events

The U.S. Capitol also was the site of a number of high-profile events including the Presidential Inaugural ceremony, which the AOC supported by building the platform, contracting for the audio system, installing the security fencing and crowd control features, as well as removing the snow that fell the night before the event. In October, we prepared the Capitol Building for another historic occasion, the lying in honor of Ms. Rosa Parks.

National Garden

This fall, we look forward to the grand opening of the National Garden. This project is solely funded by private donations raised by the National Fund for the U.S. Botanic Garden. This not-for-profit corporation raised the private funds pursuant to Public Law 102–229. It the first public-private partnership project for the AOC. Last summer, we authorized the third option to be awarded under this contract; the construction of the First Ladies Water Garden. Construction on the National Garden began in spring 2004 on the base bid which consisted of the Rose Garden, Butterfly Garden, Lawn Terrace, and the Hornbeam Court. Option one, the landscaped garden path that meanders through the site, and option two, the Regional (Mid-Atlantic) Garden were subsequently awarded. Construction is scheduled to be completed next month and then landscaping and planting will occur on the site through the spring and summer. A public opening is scheduled for October.

Decreased Injury and Illness Rate

For the fifth year in a row, the AOC's Injury and Illness rate decreased. We dropped to 5.65 cases per 100 employees in fiscal year 2005, from a high of 17.9 cases per 100 employees in fiscal year 2000. We posted a four percent reduction in our rate while, at the same time, we faced the challenges of post-election office moves and an Inauguration, in addition to meeting our daily work demands. While I am proud of these accomplishments, I will not be satisfied until we achieve our ultimate goal of a workplace free of injury and illness. To make that goal a reality, we continue to educate and train our workforce and assure that our employees have the requisite equipment they need to do their jobs safely. We also took action and reduced injury and illness rates on the CVC construction site. The rate declined from 9.1 in 2003 and 12.2 in 2004, to 5.9 for the first 10 months of 2005—below the 2003 industry average of 6.1.

Financial Statements

We have also made great strides in generating more reliable annual financial statements. In 2005, we published our first accountability report and earned an unqualified opinion for the second consecutive year on the AOC balance sheet. Our Office of the Chief Financial Officer developed processes and procedures in anticipation of the first full audit of the full set of financial statements for fiscal year 2005.

Employee Feedback Program and Action Plans

Last year, as part of our strategic planning efforts, we developed a comprehensive employee feedback program. As part of that initiative, I invited AOC employees to participate in focus groups where they identified problems and suggested ways to help us solve them in order to improve the organization. Over the past year, we created a series of action plans that addressed the issues raised. Specifically, we:

—Improved internal communication by sharing best practices in customer service AOC-wide.
—Are establishing basic standards for written communication to make it easier for all employees to read and understand Agency documents. Published a Correspondence Manual and Style Guide for all written documents.
—Are requiring regular staff meetings and providing training on how to conduct effective staff meetings.
—Have established AOC-wide Town Hall Meetings.
—Are including specific training to enhance communications skills in our Leadership Development Program (mandatory for all supervisors).
—Explained and communicated the Agency mission in an easy to retain slogan: Serving Congress with a Commitment to Excellence.
—Improved transparency by publishing and explaining approved organization charts and promoting consistency and fairness in workforce classification.
—Issued AOC policies on Employee Feedback, Performance Evaluation, and Awards and improved general policy knowledge by instituting easy to read one-page summaries explaining these policies.
—Improved Internal Service Providers' customer orientation, making them more accessible.

Performance Metrics

Finally, we continue to regularly collect, track, and manage operational performance metrics that are linked to our Strategic Plan goals through a variety of tools and processes. These tools not only help improve communication among AOC managers and staff, but have also led to process improvements in several areas. In addition, it has helped to improve our communication and outreach to Congressional leadership and our oversight committees regarding our performance. We continue

to work with Congress and GAO to further identify areas for improvement while balancing our long-term goals and our day-to-day responsibilities.

I want to thank the Committee for its support without which we could not have undertaken these efforts and completed many critical projects, continued to provide exemplary services, and assured continuity of operations at the Capitol, in the Senate Office Buildings, and throughout the Capitol complex.

CONCLUSION

The AOC is dedicated to serving Congress with a commitment to excellence.

In its February 2006 report to Congress, the GAO stated that the "AOC has been working for several years to transform itself into a more strategic and accountable organization and to improve worker safety. This transformation is a long-term effort that involves a fundamental change in AOC's culture." It also noted that "AOC operates in a challenging environment: the agency must preserve and modernize these high-profile, historic buildings while meeting the needs of Congress—including its leadership, committees, individual members, and staffs—and the visiting public."

Since the implementation of our Strategic Plan, GAO writes that:

—"To strengthen human capital management, AOC had, among other things, linked its employee evaluation system to mission-critical goals, established monthly management meetings to share and assess data from employee relations offices, and identified a number of ways to collect, report, and analyze workforce data."

—"To improve worker safety, AOC has made progress in developing safety policies, implementing a system to track investigations of incidents and follow up, completing a job hazard analysis process to report hazards, and establishing a safety-training curriculum that fully supports the goals of the safety policies."

—"To further improve financial management, AOC is developing an agencywide internal control framework and a cost accounting system, which are essential to improving accountability across all AOC operations."

—"To further improve communication with employees, AOC has implemented a variety of communication methods to convey information to employees, including a weekly newsletter on project updates, policy announcements, management and communication tips, and other agencywide messages."

—"The AOC recycling program has undergone significant expansion over the past five years, while at the same time becoming more efficient. The program has also been expanded by increasing the number of locations at which recycling is taking place."

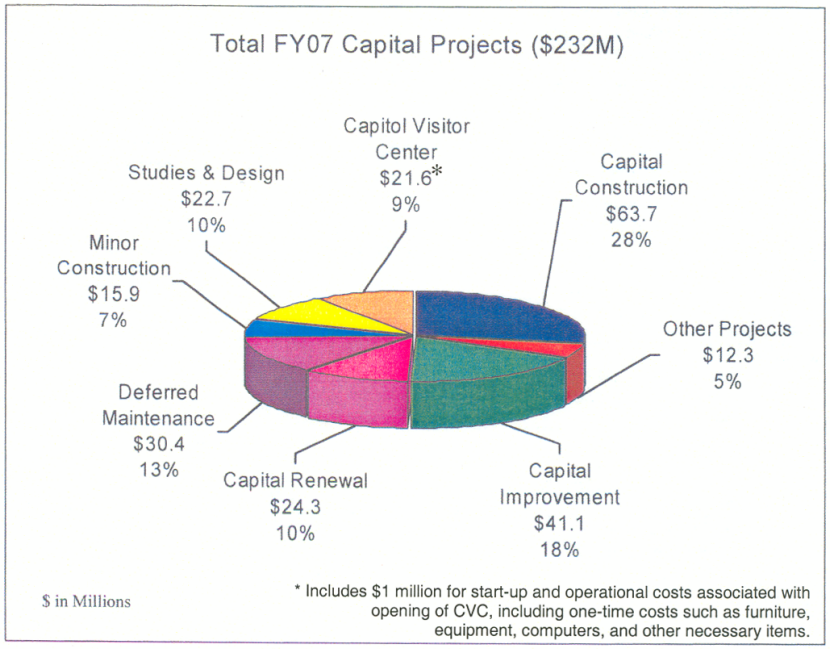
—"AOC has also taken important initial steps to address the management and structure needed to establish a sound IT investment management process, such as assigning roles, responsibilities, and the authority needed to manage its IT investment portfolio."

—"To improve project management, AOC created a clearly defined, well-documented, and transparent process for evaluating and prioritizing projects."

Mr. Chairman, my team and I are committed to fulfilling our responsibilities over the long-term, although that it means, at times, we have to make tough choices with regard to how we prioritize our projects or how we manage our clients' expectations. Our request for funds for fiscal year 2007 is in direct response to our responsibility as good stewards to maintain and preserve the facilities and national treasures under our care. In addition, we continue to strive to achieve a high level of safety, security, preservation, and cleanliness expected across the Capitol complex.

I am very proud of the dedicated professionals who make up the AOC team and I am privileged to lead this remarkable organization. I greatly appreciate the Committee's support in helping us achieve our goals.

Attachment A



FISCAL YEAR 2007 BUDGET INCREASE

Senator ALLARD. If it's all right, Senator Durbin, I'm going to run the time clock on this, I'll take 5 minutes and then you can have 5 minutes and I'll do my best to abide by that.

Mr. Hantman, I guess I've had a couple of shocks this morning. The first one was somewhat expected, that's the huge increase in your budget request. How do you justify an increase of this magnitude?

Mr. HANTMAN. Mr. Chairman, as I indicated in my statement, I really didn't prepare this budget in a vacuum. I recognized the difficult financial conditions that the entire Government has. When I quoted the direction that I received from this subcommittee several years ago, to take a look at the condition assessments, I really had to evaluate what my role was as steward of these buildings and these treasures here on Capitol Hill. What we did is we went through a prioritization process which originally included something like 36 projects or so. We prioritized them in accordance with the methodology that I included in my testimony here. The methodology is an overall planning process that takes into account fire and life safety codes, preservation of historic and legacy elements, impact on our mission, including client urgency, economics, and physical security. All of these issues were evaluated. We then looked into the issue of rating these projects, whether the condition of these projects and the areas that they were meant to serve "adequate", "substandard" or "deficient". We then further rated them as to urgency and accomplishing them in terms of immediate, high,

medium, et cetera. In coming up with the list of 19 projects that survived that list of 36, Mr. Chairman, we eliminated some $43 million worth of projects. What we wanted to do was actually discuss the criteria, the methodology we went through to select these projects.

I recognize that we have to cut back on the numbers that we have over here. But in the spirit of the report that this subcommittee directed us to do years ago, to do the assessments; I thought it was important to bring forward to the subcommittee, the nature, the magnitude of the issues that we have building up here on Capitol Hill.

The more projects we put off, the more projects we have to plan for in future budgets. And there are more projects that keep coming up in terms of the age of the infrastructure and the buildings we have here.

So I don't presume, Mr. Chairman, to ask more than other Federal agencies. I don't presume to go over whatever budget cap is realistic in this. I just wanted to make the point that basically, if we're going to be good stewards, and fulfill, in fact, the mission that this subcommittee gave us years ago, that we bring to the attention of the Congress what needs to be done and work together to find out how best to do this, how to spread it out over the years, and make sure that these facilities are good for future generations and that the fire and life safety standards are in fact met.

UTILITY TUNNEL CONDITIONS

Senator ALLARD. I appreciate you laying this all out for us. We're just going to have to do some tough priority setting as we move forward in this subcommittee.

The other shock I had was the condition of the utility tunnels. I have some pictures here that were taken, apparently the inside of the tunnel in some areas, and I'm shocked at the amount of crumbling of the structure and the rusting that's going on in some of the old pipes. It seems to me we really have to get after this. Why isn't this your highest priority? And can you give us a better idea of what we may be looking at, are we tearing up streets? I'm concerned about safety considerations, when we have cement walls that are crumbling, asbestos is okay, as long as it's not in a state where it's moving, and it's moving. Walls are crumbling. I'm worried about the potential of risk to the workers and everyone that happen to use that tunnel. I wish you'd comment on that please.

Mr. HANTMAN. Thank you Mr. Chairman. Clearly that is an issue and there's no doubt that more work is necessary within the tunnels. When we first started looking at this, and this was well before the citation back in the year 2000. We recognized that there were two issues that we needed to deal with. One of them was the immediate issue of the condition of the tunnel and the workmen who go down there on a daily basis to maintain the condition. We recognized that it was a long-term solution, that we could not rip up all the streets around the Capitol complex, we have some 12,000 lineal feet of tunnel here. And, in fact, as I indicated before 600 feet of that was ripped up on Constitution Avenue as the first priority that was identified in this project because of not only the needs in the tunnel itself, but also because of the traffic that goes on top of

that tunnel. Every time we look at the major issues, we recognize that there's an awful lot of inconvenience that will occur to the Congress, to the Capitol, to our community as we rip up streets. Part of the $1.8 million we have in the reprogramming will be going toward a design for the next section which was almost in as bad shape as the section under Constitution Avenue, in front of the Senate Office buildings. This is on Second Street, to the south of the Madison Library of Congress office building. We're doing a study on it. We fully expect that we're going to have disruptions, major concerns from the community, from ourselves. We don't control the streets under which our steam lines run over there. And that would be our next focus as identified in the original report. But while we recognize that the major ripping up of streets where we've got so many going on right now, as you know, East Capitol Street, we have this new steam tunnel going in for the Capitol Visitor Center, on South Capitol Street, we ripped it up for other steam and infrastructure utility lines. We're nearing the completion of that, we're still doing it on E Street in front of the Power Plant. How much construction fatigue can the Congress take? How much disruption can the community take at one time? That's what we have to work out with respect to the major projects. And we fully expect as we get through our studies on this next section of the "R" tunnel, as it's called, past the Madison Building, will cost us millions of dollars and we'll have to be talking to the subcommittee about how that gets funded.

But the immediate priority was the Constitution Avenue tunnel, while these things were being phased over multiple years. The plan was never to finish all of this work by the year 2002. Past budget requests will indicate that we showed tens of millions of dollars in out-years to solve all of these problems. Our immediate problem was to make it as safe as we could for the people who work there on a day-to-day basis.

So as we went through the years, each—we installed a leaky cable communication system in the tunnels, through the main tunnel system as I indicated before. By this summer, we should have the small stub tunnels, leading from those main communication cables to each building, taken care of as well. We implemented emergency shoring and repairs to the tunnels and we've done so every year since the year 2000 when this came about.

So people have been going into those tunnels, looking out for spalls, taking care of those spalls, so that it is less dangerous for the people who go in there. We've also initiated three person work teams where one person would stay outside of the manhole and two people using their radio communications, would go inside the manhole and they would be able to talk about things. I met with the tunnel crew last week Mr. Chairman, listened to all of the issues that they had, to the concerns that they had, and the highest priorities they saw which basically amounted to the "Y" tunnel, which is where a lot of our focus and studies are going into at this point as well.

So we have been trying to move forward on the day-to-day life safety while we're planning the long term projects which require greater funding and have a greater impact on the community.

Senator ALLARD. Let me call on my colleague, Senator Durbin. I know he is shocked as I am at the condition of those tunnels and I think he's got some questions he wants to ask in that regard.

OFFICE OF COMPLIANCE COMPLAINT

Senator DURBIN. Thank you very much. Mr. Hantman, this is unprecedented is it not, that the Office of Compliance would file a complaint against the Architect's Office?

Mr. HANTMAN. That's my understanding, sir.

Senator DURBIN. And it's been noted now for 6 years or more that there were problems, hazards and dangers to employees in these tunnels, is that not true?

Mr. HANTMAN. That is true, sir.

Senator DURBIN. I understand budgets because I've served on the Appropriations Committee on the House and Senate, and been on this subcommittee for some time. But I cannot believe that if you felt that this was a life threatening situation and came to Congress that we wouldn't have responded. Did you feel this was a life threatening situation?

Mr. HANTMAN. We felt that there was certainly conditions down there that needed to be ameliorated so that it would not be a life safety situation.

Senator DURBIN. I think you said yes, that you felt it was a life threatening situation.

Mr. HANTMAN. Certainly with spalling concrete coming off, that could be certainly a life safety situation, yes.

Senator DURBIN. And I have to ask you why you didn't make this plea to Congress, saying the lives of workman are at stake here. When I look at this, it's a lengthy survey done by the Office of Compliance, the conclusions at one part say, "neither the conditions, nor the protective measures for either asbestos or heat stress have improved for tunnel shop employees between the OOC report of August 24, 1999 and the inspection made for this report." And they have cited in here as I'm sure you've read ample evidence that the workers whether they knew it or not, were exposed to asbestos hazard during 5 or 6 years while they were working in these conditions. Were you aware of that exposure?

Mr. HANTMAN. We have worked in—we have five tunnels sir. One of them is the "V" tunnel for instance. We completed abating the asbestos in that tunnel last year. We have money in the project loop right now, in procurement for the "B" tunnel to abate the—we are—one of the comments that the chairman made before in terms of encapsulating asbestos, we recognize that we have asbestos in all of our buildings and all of our tunnels around the campus. As long as it's encapsulated and safe we will be replacing that as we can, as we go down the road with various projects.

Most of these tunnels have had encapsulated work accomplished. The "B" tunnel, for instance, had new jacketing put on it. That jacketing is now wearing out. We have a $200,000 project to abate the work in that tunnel.

EMPLOYEE SAFETY IN THE TUNNELS

Senator DURBIN. Mr. Hantman, did you warn the workers that they were going to expose themselves to inhalation of asbestos if they worked in the tunnels that were not protected?

Mr. HANTMAN. The workers were aware of these asbestos issues. We worked to repair problems when they saw an asbestos issue, or we had the construction management division go in to inspect, we would go in and repair those particular sections and make sure that they were encapsulated.

Senator DURBIN. Did the workers wear any protective breathing device working around this asbestos?

Mr. HANTMAN. They are now, sir.

Senator DURBIN. When did that start?

Mr. HANTMAN. This is just starting.

Senator DURBIN. Why did we wait so long to protect these workers?

Mr. HANTMAN. We were working in those tunnels, we had constant inspections going on in those tunnels. We recognized that we needed to do full tunnel work as we did on Constitution Avenue to make sure that—and as we did on the "V" tunnel that we can take care of it as a total project while we were encapsulating segments as we went along.

Senator DURBIN. Mr. Hantman, I would have to tell you that perhaps I have a heightened interest in this with the debate we just went through on the asbestos issue. And having met scores of widows and widowers of people suffering—who suffered from mesothelioma and asbestosis. There's not a single one of us in this room who knows for sure that we haven't been exposed to asbestos that will kill us. In this circumstance, we knew that there was asbestos, we knew that it was a hazard to workers, and literally waited years before we provided safety devices for these workers to protect them. How could we possibly explain that to the workers or their families?

Mr. HANTMAN. We had ongoing inspections but clearly they were not adequate. Senator Durbin.

Senator DURBIN. Well that's cold comfort. I appreciate your admission, but I think it tells that we have done a great disservice to these workers and their families. And I hope of all the priorities which we face on Capitol Hill, that the first priority will be the safety of the men and women who work here and visit here. And if that is the case, I want to say to you point blank. If you do not come forward with requests for life safety measures and protective devices to protect these workers then you're not doing your duty.

You need to call on us, and if we fail then it's on our shoulders but knowing this for 5 or 6 years, and not responding to it, and exposing workers to these potential life threatening situations that's entirely unacceptable. And to think that it would happen on Capitol Hill, the seat of our Government, the symbol of who we are as a people, makes it even worse. Thank you, Mr. Chairman.

Senator ALLARD. Well I'd like to agree with Senator Durbin on his comments. I do think that we have to get moving quickly on this, we need to get it taken care of. I understand your concerns about disrupting traffic, part of it's on Constitution Avenue. But I

think that we need to get a plan in place quickly as to how we can deal with this, and somehow or other find the resources to begin to get this situation rectified as much as possible, and get the city to understand that this is a serious problem and it needs to be dealt with. I know it's going to create some travel inconveniences, but I just think it has to be done.

Senator DURBIN. Mr. Chairman if I might add to that. Mr. Hantman said how much construction fatigue can Congress take, he went onto talk about how much disruption of traffic can the community take. Well I'm prepared to face both of those challenges but I'm not prepared to face the families of these workers and tell them we didn't do everything humanly possible to protect them in the workplace.

TUNNEL REPAIR PLANS

Mr. HANTMAN. We have requested $1.75 million in this budget to do further studies and work on that, in addition to the $1.8 million that we've recently reprogrammed. We will certainly get back to you in terms of what those studies are showing and the priorities in terms of those dollars.

Senator ALLARD. I don't know what kind of time line you were thinking about, but we need to expedite this. I hope that you can come back with an expedited plan. Give us a better idea of what this total thing is going to cost, so we can deal with it, and begin to plan for it. We've got a lot of things that are on that list, but in my view this needs to be toward the top of the list. We need to somehow begin to address it right away. You now have the feeling of this subcommittee that we think this is important, and we need to expedite it. I hope that you would look at the budget request that you've made and see what we can do now to begin to address these problems. I agree with Senator Durbin, the traffic and inconvenience to Members of Congress and our staff, that's a minor issue relative to the seriousness of what we have here. We need to deal with it.

TRACKING OFFICE OF COMPLIANCE CITATIONS

Are you keeping a list of possible problems that are erupting so that we don't get to this problem in some future time? Where the Office of Compliance has pointed out a problem or potential problem, is it being catalogued so that we can see what might be coming down the pike so that we can begin to meet these challenges as they face the committee?

Mr. AYERS. Yes, Mr. Chairman, we do meet regularly with the Office of Compliance and they have over the years, since 1999, issued a variety of citations. We work to abate those and request funding as necessary to abate those. We meet with them on a regular basis to update them on the status of the abatement of those citations.

CAPITAL PROJECTS AND THE LIBRARY LOGISTICS WAREHOUSE PRIORITIZATION

Senator ALLARD. Let me move onto capital projects. Your budget includes 19 major capital projects, totaling about $143.7 million.

Could you describe the process, referred to as the line item construction program, you went through to come with this list of projects?

The projects are ranked based on their urgency and the type of project, now how is a library storage facility ranked number nine on this list?

Mr. HANTMAN. As I indicated Mr. Chairman, when we originally started looking at projects, and the importance and the ranking on the list, we had some 36 projects there. The library logistics warehouse was number 35 on that list, because we ranked it as a high need, but not an immediate need. What happens when you get to all of the fire and life safety, the preservation, the economics, the physical security issues and you rank that, and you look at the current condition of various projects, you'll note that's one of the few projects on our request which is a new project as opposed to something that needs to be repaired and maintained. Originally that was not ranked high on the list, it was number 35 as opposed to where it is right now, in number 9. The Librarian expressed very strong need and concern that it was an "immediate" priority. We have not done facility condition assessments for the Library as of yet. We hope to get that funding in here so we can actually do the type of analysis we talked about before. So in terms of the final overview, once you go through all the fire and life safety, the physical security, the deficiencies, and things like that, the urgency of the project is the element that is the last overlay on that. So our priority was originally "high", the Librarian indicated that was an "immediate" project, very important. And so it was on that basis that it was raised to—it's the lowest of the "immediate" projects on our list which is number nine. We have eight "immediate" above it, all the rest below it are "high".

If it had not been ranked as "immediate" at the Librarian's request it would have been number 35 in the project list and would not have been requested.

DIRKSEN INFRASTRUCTURE IMPROVEMENT PROJECT

Senator ALLARD. The Dirksen infrastructure improvements total somewhere about $19.4 million, can you describe these improvements and tell us where the project can be broken down into phases so as to lessen the price tag in fiscal year 2007.

Mr. HANTMAN. This again Mr. Chairman, is an important project. Basically what we're looking at over here, is we think that this project could be phased in multiple years. As far as the Dirksen project is concerned, the current situation is that it's calling for the replacement of air handling units in the Dirksen Office Building. They're an integrated piece of equipment, they consist of fans, heating units, coils, et cetera, and we currently have 21 air handling units serving the building right now. There are 12 of them on the seventh floor of the Dirksen Senate Office Building that have to be replaced. These are air handlers that are over 40 years old. They've exceeded their useful life, and they're very inefficient.

So this project would replace those 12 air handler units with new units that have replaceable filters, steam preheat coils, clean steam humidifiers, variable frequency drive motors, direct digital control systems. The work would include reconnecting the main units, et

cetera. If not funded, the building ventilation will gradually worsen and the units will fail in the near future. Just when in the near future, we wouldn't know exactly but in terms of good process and procedure, this could happen.

We've taken a look at this project Mr. Chairman, and we think it could be phased by stack especially. Specifically on the north stack, there's a center stack, and a south stack in the Dirksen Building. Phasing would require increased project coordination, some increased administrative costs, and contractor overhead, things like this. But we think it could be phased into three pieces.

Senator ALLARD. Do you have an idea about how that would affect the cost of the project?

Mr. HANTMAN. Yes, in the—we think that for this first year, we could do the south wing for three air handling units for $6.5 million, next year we could do the center wing for $8.4 million, and the north wing in the following year for some $6 million. This would add about a $1.5 million in additional costs to the project, but it could be spread out over 3 years.

CONSTRUCTION OVERHEAD COSTS

Senator ALLARD. Thank you. The Architect of the Capitol's construction overhead costs include more than 10 percent for contract administration and construction management. Other agencies such as the Corps of Engineers and the naval facilities engineering command include costs in the range of 6 to 8 percent. What do AOC's overhead costs support and why are your overhead costs higher than these other ones mentioned?

Mr. HANTMAN. We can certainly respond to the record for that if we could Mr. Chairman.

Senator ALLARD. Okay. If you would please.

[The information follows:]

The AOC's overhead costs consists of the following:

Construction Contingency Cost.—This is added to the total Estimated Construction Contract Cost (ECCC) to allow for change orders. The percentage typically ranges between 5 percent to 10 percent for new construction and 10 percent to 15 percent for renovation work. The higher contingency percentage for renovation work is due to the greater likelihood that during renovation unknown or unforeseen conditions may be encountered.

Implementation Cost.—These are administrative costs added to the Estimated Construction Project Cost (the accumulated ECCC plus Contingency) to support the AOC's costs during project execution. These include: (1) Construction Administration, (2.5 percent)—this is usually a contract with the A/E firm performing the design, or the A/E firm who performed the design, to account for shop drawing submittal reviews, answering Requests for Information (RFIs), and any additional technical services related to interpretation of the drawings and specifications during construction, and the percentage applied is an industry-accepted standard; (2) AOC Construction Management, (8 percent)—this amount is set aside to pay for Term AOC employees hired as Construction Managers, who are the COTRs during construction, and Construction Inspectors, who provide daily quality assurance during construction execution; (3) Government Testing, Inspection and Quality Control, (2.5 percent)—this amount is provided to allow for independent testing, inspections services, or quality control services that may be required. Such instances include specialized testing or field verification that specified design parameters have been met, and independent validation of information necessary to resolve contractor disputes.

Project Management Cost.—This amount provides for professional associate (contract) or temporary in-house project management staff when execution of a specific project or group of projects cannot be met with internal resources. At the present time, temporary project management staff are funded by the LOC Fort Meade projects to provide for overall program execution at that location. Previously, this

allocation was used to execute portions of the Emergency Response Fund projects because at that time there was an inadequate dedicated project management staff to support that program. This percentage—currently set at 5 percent—was inadvertently applied to some of the fiscal year 2007 project requests. Specific estimating guidance has since been issued to clarify that it is to be applied only under the circumstances noted above.

The AOC has not analyzed other agency overhead cost structures. The AOC is undertaking a series of processes to determine how its overhead costs are spent, and over time will be in a much better position to support its actual cost requirements based on financial history matched to project performance. In addition, the Government Accountability Office has offered to provide the AOC with technical advice in this specific area.

WEST REFRIGERATION PLANT PROJECT

Senator ALLARD. On the west refrigeration plant, this $100 million project is behind schedule by 5 or 6 months, and over budget. What is the current schedule for completion?

Mr. HANTMAN. The current schedule is by July of this year, we should have the units up and running, with a combination of controls, as well as manual controls so that we could be producing the chilled water that we need throughout the campus. By the end of the year all those controls should be in place, so that the manual operation would no longer be needed.

Senator ALLARD. Can you assure us that no additional funds are going to be needed?

Mr. HANTMAN. We are reprogramming dollars in this year's budget as you know Mr. Chairman, to the tune of about $4.7 million. The main reason that these funds were needed is that there were two unforeseen conditions at the Power Plant. One of them was the extent of the contaminated soil under the existing coal pile. We needed to remediate that. Another was a gas main that was on Virginia Avenue in the way of the relocated sewer line that we had to take care of. With those two projects, that basically took the full reprogramming value and we would have been pretty much on budget, without having to reprogram, without those two elements.

So, yes, we're expecting that this reprogramming should be able to get us to home base.

WEST REFRIGERATION PLANT PROJECT CHALLENGES

Senator ALLARD. What are the biggest challenges you've confronted with a project, and what are some lessons learned?

Mr. HANTMAN. Well, the two project elements that I mentioned were the biggest challenges, and that is true Mr. Chairman, of any project we do here on Capitol Hill. The documentation is just not very good in terms of existing drawings and all. That was certainly the case with the gas line on Virginia Avenue. It wasn't shown in the right place, in terms of where it really was. Another challenge that we faced on the Power Plant, was the reason that project was initiated in the first place. This goes back to the type of issues that we have with facility conditions throughout the campus. How do you know something's going to fail? Do you replace a roof before it fails, or do you do it because its life expectancy has really been achieved. So when we looked at the east refrigeration plant, it actually has EPA, noncompliant elements in it. We wanted to replace it. It was over 40 years old. It wasn't performing efficiently. We

had planned on essentially using it long enough to be able to take down the existing west refrigeration plant units, put them online, hook them up and have the east plant run through the winter so that we could do that, and the full load would be on that. Unfortunately, we had two of those units fail. Their life expectancy certainly was there, we knew that was happening, and the same issue is, when will something fail?

So we had to essentially, while the west refrigeration plant was up and running, make those changes. So that was something that cost us time and it cost us money, Mr. Chairman.

GOVERNMENT ACCOUNTABILITY OFFICE REPORTS ON POWER PLANT STAFFING

Senator ALLARD. Now, GAO recently reported that the Architect of the Capitol hasn't made sufficient progress in planning to staff the modernized Power Plant efficiently and ensure plant personnel are trained to operate it safely. According to the GAO, the plant has about twice as many employees as are needed for efficient operation and has since at least 1996. What are your plans for rightsizing the Power Plant while ensuring equity to all employees?

Mr. HANTMAN. We have a consultant—Ross is doing a detailed functional analysis, regarding staffing reductions. We think they are possible. We are at the process, Mr. Chairman, we don't have the new equipment up and all the controls in place at this point in time. So we need to take a look at training the people in—on our staff, for automation of the plant, and cross train those people to make sure that they can do multiple jobs efficiently. We believe this can happen, once we have the new plant online. We are concurrently working on doing training right now, so that we can essentially right size and cross train people to bring it more in line with the ultimate staffing that's necessary. And our new director certainly will have his eyes and ears on that and make sure that we do it the right way.

PERFORMANCE-BASED BUDGET

Senator ALLARD. You've been listening to some of my concerns in the past hearings on performance-based budgets and I understand you're taking some action to develop a performance-based budget to measure outcomes. I'd like to know how you're coming along on that initiative?

Mr. AYERS. Sure, thank you Mr. Chairman. We do have several strategic performance initiatives underway, and performance-based budgeting is one of them. If I could just step back for a moment though. All of these refer back to our strategic plan that we developed in 2003. That strategic plan is centered around four goal areas: facilities management, project management, human capital, and organizational excellence. And to implement that plan, it's accompanied by a performance plan that includes 16 objectives, 175 specific milestones, as well as over 300 individual activities necessary to achieve those goals. In addition to simply measuring our progress against achieving those milestones, we've developed a series of performance indicators that enable us to track the health of the organization on an ongoing basis. We call this our dashboard. We've developed some 25 different performance metrics, that we re-

view on a monthly basis, myself and Mr. Hantman, with a team of senior managers.

To take that strategic plan to the next level, we believe requires the implementation of a cost accounting system as well as a performance-based budgeting system, those—both of those processes are underway now. We believe that's a year long effort, we've recently added staff to our cost accounting division to begin the full implementation of that program and we look forward to presenting to you in 2008 our first performance-based budget.

INTERNAL CONTROLS IMPLEMENTATION

Senator ALLARD. I'm looking forward to that, and thank you for your efforts. According to GAO, it's critical the Architect of the Capitol develop strong internal controls, including a reliable cost accounting system and sound procurement practices, can you tell us what you've done in this area, and identify the resources you've requested in your budget to address these needs.

Mr. AYERS. Certainly Mr. Chairman, thank you. We have begun the roll out of a comprehensive internal controls program. This has been, in fact, in our strategic plan since 2003. The first phase of that, as we've selected three of the—what we feel most important functions of our organization. Our procure to pay, or how we purchase materials, as well as our payroll and project management systems. As part of this internal controls program, we'll take each of those systems and break them down to each of their individual components, review them to determine what specific financial and managerial controls need to be in place to be able to achieve the end result. We're well in process on the first three of those. Once those are complete, we'll bring in another handful of our business processes and run them through the same process. Ultimately we'll have gone through all of our strategic business processes; run them all through this program to develop a sound internal controls program. We do have two FTEs requested in our 2007 budget to enable us to continue that, and expand that internal controls as well as the cost accounting program.

CONTRACT MANAGEMENT IMPROVEMENTS

Senator ALLARD. Your contract management has been subject to some criticism. What are you doing to try and improve it?

Mr. AYERS. I think one of the most important initiatives we've undertaken, is the development of a comprehensive core competency program, both for our project managers as well as for our procurement employees. That's a terrific program, and our employees are run through an appropriations law class, a contract management class, I think that's been our most important initiative in that area.

ARCHITECT OF THE CAPITOL CHIEF FINANCIAL OFFICER SELECTION

Senator ALLARD. Okay. Let me ask you Mr. Hantman, about the position of Chief Financial Officer. This seems to me like a critical position to get filled. How are we doing on filling this position?

Mr. HANTMAN. I think we're going well Mr. Chairman, we empaneled—a panel essentially last week, which includes Stephen

Ayers, it includes the CFOs of the Government Accountability Office and the Government Printing Office. Some 53 résumés are being reviewed right now. Clearly that's a critically important position and the process is moving along.

Senator ALLARD. That's all the questions that the subcommittee has. I would like to thank you for your participation.

SUBCOMMITTEE RECESS

The subcommittee on legislative branch will stand in recess, until Wednesday, April 5, 2006 when it will hear testimony from the Sergeant at Arms and Capitol Police Board. Thank you.

[Whereupon at 11:15 a.m., Wednesday, March 15, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, April 5.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, APRIL 5, 2006

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:35 a.m., in room SD–138, Dirksen Senate Office Building, Hon. Wayne Allard (chairman) presiding.

Present: Senator Allard.

U.S. SENATE

SERGEANT AT ARMS AND DOORKEEPER

STATEMENT OF WILLIAM H. PICKLE, SERGEANT AT ARMS AND DOORKEEPER

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. The subcommittee will come to order. This morning, we meet to take testimony on the fiscal year 2007 budget requests for the Sergeant at Arms and Doorkeeper of the Senate, U.S. Capitol Police, and the Capitol Guide Service and Special Services Office.

We welcome our witnesses this morning. First, we will hear from the Sergeant at Arms and Doorkeeper of the Senate, Mr. William Pickle. Good morning, Mr. Pickle.

Mr. PICKLE. Good Morning, Mr. Chairman.

Senator ALLARD. The Sergeant at Arms' budget request total is $224 million, an increase of about $25 million or 12 percent over the current year. The budget would fund an additional 34 employees as well as implement additional security initiatives. Funding is also included to continue the telephone replacement project.

Following the Sergeant at Arms, we will hear from the Capitol Police Board, currently chaired by House Sergeant at Arms Bill Livingood. Good morning, Bill.

The Board is requesting $295 million for the Capitol Police, an increase of $48 million or almost 20 percent over the current year. The request includes 101 additional sworn officers and seven additional administrative employees, which would bring the department staffing to a total of 2,180 employees.

The budget includes $28 million for overtime, about $8 million more than the police department anticipates will be needed this year, and we have some concerns about that level.

Finally, we will again hear from Mr. Livingood, this time as chairman of the Capitol Guide Board. Also present is Tom Stevens, the head of the Capitol Guide Service and Congressional Special Services Office.

The Board is requesting $8.5 million for the Guide Service. This is an increase of $4.6 million over the current budget, with the expectation that 71 additional guides and visitor services employees will be needed to operate the Capitol Visitor Center (CVC) in fiscal year 2007.

Before we begin this hearing, I would like to say thank you to outgoing Chief Terry Gainer. Today is his last day on the job, and I appreciate all the good work he has done to improve the Capitol Police force and serve the Congress. The department is stronger, better trained and equipped, and more capable than when Chief Gainer took the helm 2 years ago. I wish him luck in his next adventure.

Before I finish my statements, we have Senator Burns, Mr. Pickle, who has some questions that he has asked us to put forward. After the hearing, we will submit those questions to you with the hope that you can get back with a response within 10 days. So, if you could respond to those questions at a later date after we have finished the hearing, we would appreciate that, Mr. Pickle. And so, having made that initial request, Mr. Pickle, please go ahead. We look forward to hearing your comments.

STATEMENT OF WILLIAM H. PICKLE

Mr. PICKLE. Thank you, Mr. Chairman. Thanks again for inviting me to testify this morning. As I have said in the last 2 or 3 years that I have been here and appeared before this subcommittee, I am so pleased to represent the hundreds of men and women who comprise the Office of the Sergeant at Arms. I don't think you are going to find a more dedicated or committed group of Federal employees anywhere, and I am sure that you and this subcommittee share that belief as well, after witnessing the great job they do. Mr. Chairman, I have a much more formal statement. You stole a little of my thunder in your opening remarks. So, I am going to ask that my formal statement be submitted for the record, and I will just talk for a couple of minutes, if I may.

As you indicated, we have asked for about $224 million or about a 12.8-percent increase over our 2006 appropriation. These funds will continue to allow us to provide the service that is so important to the Senate. In particular, the increase that is reflected in this budget covers our telecommunications modernization project. It also covers 34 positions, as you indicated, 17 of which are designated for the CVC. The other positions are spread out over our areas of technology and security. In addition, we are funding some initiatives in our Office of Security and Emergency Preparedness. These initiatives haven't been fully covered previously in any recurring budget request, and I think probably what we are going to see in out-years, too, is continued growth in that area. But this year, there is a sizable increase, as you noted, in our security and emergency preparedness allocation.

Mr. Chairman, in my formal statement, I talk about a number of challenges that we have met successfully and a number of ac-

complishments that this office, and particularly the staff, has achieved. I want to take a minute to introduce the senior management team here, because they are outstanding. I am going to start with my Deputy Sergeant at Arms, Lynne Halbrooks. The Executive Assistant who is the Democratic Leader's Representative is Nancy Erickson. Greg Hanson is our Chief Information Officer and Assistant Sergeant at Arms. Chuck Kaylor is the Assistant Sergeant at Arms for Security and Emergency Preparedness. Al Concordia is the Assistant Sergeant at Arms for Police Operations and Liaison. Esther Gordon is the Assistant Sergeant at Arms for Operations, and Dan Strodel is our General Counsel. I also want to acknowledge, and I know he is going to be a little embarrassed by this, my Chief Financial Officer, Chris Dey. Chris works very closely with Carrie Apostolou and Nancy Olkewicz, and Chris is the ultimate professional, as Carrie and Nancy can attest to. He keeps us straight. He keeps me out of financial problems with this subcommittee, and we are just very delighted to have him.

Senator ALLARD. I appreciate you introducing your staff and having them here this morning.

I couldn't agree with you more, I think you have got a good staff.

GUIDING PRINCIPALS

Mr. PICKLE. Thank you very much. I appreciate that. Last year, when I testified, I talked about the three guiding principals that we follow in doing a better job here at the Senate. The first one is to continue to maintain security of this complex. Since 9/11, the whole world has changed here. Maintaining security is very expensive and very complex, and we work closely with the Capitol Police to do the best job we can. The second focus is to follow the leadership's mandate to provide state-of-the-art technology. I don't think anyone can ever have state-of-the-art technology. You know, Moore's Law says everything changes every 1½ years or so. Well, we are close to state-of-the-art, and it's only because of this subcommittee's support that we have reached the level that we have. And finally, it's rather cliché, but customer service continues to be a guiding force in the Sergeant at Arms office. It is used over and over again, and sometimes it loses its meaning. But when you have over 100 business units as we do and roughly 950 people working here within the Office of the Sergeant at Arms, you have a lot of exposure to a very demanding community. I think our people do a great job. I often hear about it when we don't. I seldom hear about it when we do. But we try, they try, and customer service is still our priority.

STRATEGIC PLAN

Mr. Chairman, there is one final thing I want to do. I want to talk briefly about our strategic plan. I know how important GPRA is to you, and I know how you like to hold each of the agencies under you accountable. We have been working on a strategic plan for the last 6 to 9 months. It's a very comprehensive plan. I think that you will see the seriousness with which we view this plan, and I expect to share it with the subcommittee very soon. We would welcome any comments from you or your staff.

Senator ALLARD. Very good. We look forward to that.

Mr. PICKLE. Thank you. Finally, I want to digress for just a moment. You mentioned Chief Terry Gainer, and I just want to acknowledge, on our part from the Senate side, how much we will miss him. Chief Gainer is the ultimate professional. I think he is arguably one of the best Chiefs of Police in the country. When you talk to people in the law enforcement community, they echo those sentiments. We often use the word leadership. Leadership is important. And we always say you know leadership when you see it. Well, when you see Terry Gainer, you see leadership. We may not always agree with him, but he is one of the main reasons we have such an outstanding department, such a professional department. And I think he will be sorely missed, but we wish him bon voyage and Godspeed. Mr. Chairman, that concludes my oral remarks, and I'd be happy to take questions.

[The statement follows:]

PREPARED STATEMENT OF THE HONORABLE WILLIAM H. PICKLE

INTRODUCTION

Mr. Chairman and Members of the Subcommittee, thank you for inviting me to testify before you today. I am pleased to report on the progress the Office of the Sergeant at Arms (SAA) has made over the past year and our plans to enhance our contributions to the Senate in the coming year.

For fiscal year 2007, the Sergeant at Arms respectfully requests a total budget of $224,043,000, an increase of $25,343,000 (or 12.8 percent) over the fiscal year 2006 budget. This request will allow us to maintain the improvements and level of service we provide to the Senate community. It will also fund 34 new staff members who will maintain the Senate's expansion space in the Capitol Visitor Center and develop and maintain business and network security applications, among other support services. Appendix A, accompanying this testimony, elaborates on the specific components of our fiscal year 2007 budget request.

Last year I testified before this Committee and reported on our progress in accomplishing three priorities: (1) ensuring the United States Senate is as secure and prepared for an emergency as possible; (2) providing the Senate outstanding service and support, including the enhanced use of technology; and (3) delivering exceptional customer service to the Senate. These priorities continue to guide the Office of the Sergeant at Arms.

This year I am pleased to highlight some of this office's activities including a new strategic plan we are developing and the challenges we have overcome since last year. Our accomplishments in the areas of security and preparedness, information technology, and operations are also impressive. We are preparing for next year by planning for the major events we know will come and by ensuring that the Office of the Sergeant at Arms is an agile organization that can adjust to the unexpected.

An outstanding senior management team leads the efforts of the dedicated Sergeant at Arms staff. Lynne M. Halbrooks serves as my Deputy, and she and I are joined by Administrative Assistant Rick Edwards, Executive Assistant Nancy Erickson, General Counsel Dan Strodel, Assistant Sergeant at Arms for Security and Emergency Preparedness Chuck Kaylor, Assistant Sergeant at Arms for Police Operations Albert V. Concordia, Assistant Sergeant at Arms and Chief Information Officer J. Greg Hanson, and Assistant Sergeant at Arms for Operations Esther L. Gordon. The many accomplishments set forth in this testimony would not have been possible without this team's leadership and commitment.

The Office of the Sergeant at Arms also works with other organizations that support the Senate. I would like to take this opportunity to mention how important their contributions have been in helping us achieve our objectives. In particular, we work regularly with the Secretary of the Senate, the Architect of the Capitol, the Office of the Attending Physician, and the U.S. Capitol Police. When appropriate, we coordinate our efforts with the U.S. House of Representatives and the agencies of the Executive Branch. I am impressed by the people with whom we work, and pleased with the quality of the relationships we have built together.

This is my third year testifying before this Committee and I would be remiss if I did not mention how proud I continue to be of the men and women with whom I work. The employees of the Office of the Sergeant at Arms are some of the most

committed and creative in government. We have made huge strides as an organization these past three years.

None of our efforts would be accomplished, though, without the guidance of this Committee and the Committee on Rules and Administration. Thank you for the support you consistently demonstrate as we work to serve the Senate.

Strategic Plan

The Office of the Sergeant at Arms is developing a comprehensive strategic plan and performance goals for services we provide. The plan will establish the level of performance that the Senate expects from us, and will help us build on our strengths and address weaknesses.

During my tenure with the Senate, I have seen how Sergeant at Arms staff works to continuously improve the level of service it delivers to this institution. Our strategic plan acknowledges this dedication and skill, and provides guidance on how to focus these efforts. The plan documents the mission, vision, values, and principles of this office, so our employees, our customers, and Senate Leadership will know what our objectives are and how we plan to achieve them.

We already deliver outstanding service to the Senate, and this strategic plan will help us continue to do so. I look forward to presenting this Committee with the strategic plan later this year. It was developed with the input of all levels of management, and, I believe, accurately lays a clear roadmap for the future of this organization.

Customer Service and Support

One priority of the strategic plan is to promote within the Office of the Sergeant at Arms a culture that is focused on excellence in customer service. Every aspect of our work at the Senate focuses on serving the Senators, staff members, and the public. Our efforts in the areas of security, information technology, and operations all focus on providing services that the Senate needs to function properly. Our customers usually are Senate staff, but they also include anyone who contacts the Senate and members of the media who report about the institution. As a measure of our overall focus on customer service, almost one-quarter of the staff of this office provides direct customer support: Capitol Operators; Appointments Desk staff; Media Gallery staff; customer support analysts; telecommunications representatives; dedicated customer support personnel in our print shop, Recording Studio, and Photography Studio; and Help Desk contractors.

Major Challenges of the Past Year

As is true every year, this past year has offered several challenges to the Office of the Sergeant at Arms. Besides frequent suspicious item alerts, the Senate had air space incursion alerts and the recent Russell Senate Office Building evacuation. The Judiciary Committee held confirmation hearings for John G. Roberts in mid-September 2005 and for Samuel A. Alito in early January 2006. In August 2005, Hurricane Katrina devastated Louisiana, Mississippi, and Alabama, and affected the ability of several Senate state offices to serve their constituents. These events highlight how effectively this office, in conjunction with the Senate support organizations and Legislative Branch agencies with which we work, has adopted procedures that enable us to rise to these challenges.

Building Evacuations.—On May 11, 2005, the Capitol Police evacuated the Capitol and Senate and House Office Buildings due to an incoming aircraft. The actions of the police were exemplary, and the Members, staff, and visitors cooperated fully during the evacuation. When the next air space intrusion happened about one month later, we were even more prepared and an assembly area for Senators was activated.

On February 8, 2006, a hazardous material alarm sounded in the Russell Building. The alarm indicated the presence of a substance that was potentially hazardous, and people in the Russell Building were directed by the Capitol Police to move to the Legislative Garage. Senators and staff moved to the garage, where they sheltered in place for about three hours.

Immediately staff from the Sergeant at Arms and other Senate offices prepared to open a Senate Emergency Operations Center and started implementing their emergency plans. As an example, our contract IT Help Desk staff that was evacuated to the garage ensured the continuity of Help Desk operations by shifting the function to technicians located off-site. All of these activities follow the established protocols for this kind of emergency.

The atmosphere in the Russell Building and the Legislative Garage was marked by a distinct sense of calm and control that lasted from the start of the incident through its completion. Fortunately, the investigation found no hazardous material, and Senators and staff left safely.

This event demonstrated how the Capitol Police, as well as the Sergeant at Arms Offices of Police Operations and Security and Emergency Preparedness have made progress over the past few years in establishing a controlled, efficient response to incidents at the Senate. The coordinated and measured response met the Senate's needs for information and for security.

Hurricane Katrina.—Even before Hurricane Katrina hit on August 29, 2005, Sergeant at Arms staff was working to ensure affected state offices would be able to recover quickly. After the hurricane, some members of our staff assisted from Washington, D.C., while others went to the area to help with the recovery and with the family assistance center.

A wide range of SAA staff participated in the state offices' recovery. Our State Office Liaison was the first point of contact for the offices, ensuring that they knew how to contact us and others who could help. CIO staff members also played pivotal roles. Before the hurricane, they inventoried equipment in the threatened offices and readied replacement equipment. They also made sure that telephone calls to the state offices would be forwarded to another location if the staff evacuated.

The first priority of the staff in the Louisiana, Mississippi, and Alabama offices was their safety and the safety of their families. Within days, though, they got back to work, connecting constituents with the services they needed. To do this, they needed access to space, computers, telephones, and power.

SAA staff supplied the equipment and facilities that offices needed. Our State Office Liaison worked with the General Services Administration to find facilities that staff could use while their offices were unavailable. The CIO's team improvised ways to transport equipment to the area; they sent equipment to the closest place with delivery service and determined the next steps from there. In one case, they even sent satellite telephones to the area with another elected official. Additionally, the CIO's staff monitored the status of the circuits and networks, configured and shipped equipment to each affected site, installed LAN drops, and provided dial-up modems and frame relay circuits. One staff member spent a month in Mississippi supporting the Capitol Police mobile radio system.

Across the SAA, staff members were diligent in their efforts to help the state offices become operational. The security and emergency preparedness team obtained satellite telephones for the affected Senators, and sent staff to the area to work with the family assistance center. The Telecommunications Operations team revised calling arrangements for forwarded numbers and coordinated the delivery of service and equipment to temporary locations. Customer Support Analysts made sure that offices received the services they needed, and the Employee Assistance Program provided counseling support to staff in the area.

The work of the SAA helped Senate state offices recover quickly. We had the ability and the resources to provide even more support, and we were prepared to do so in advance of Hurricane Rita. These hurricanes and their impact on state offices demonstrated how important it is that our continuity of operations and emergency preparedness efforts reach beyond Washington, D.C.

Support for Senate Events.—During Senate events, the staff of the Office of the Sergeant at Arms fills crucial roles supporting the Senate's tradition of dignity and public access while implementing comprehensive security. Since my last testimony before this Committee, this office has supported the Lying-in-Honor of Rosa Parks, the annual State of the Union address, joint sessions of Congress, visits by dignitaries, and high-profile hearings. This past year, two of the most visible events were the hearings for John G. Roberts and Samuel A. Alito.

In advance of the Roberts hearings, Sergeant at Arms security staff and the Capitol Police worked with the Judiciary and Rules Committees to implement the appropriate level of security. Technology and Media Galleries staff enhanced the ability of the press to gather information and file stories during these historic events. Temporary telephone lines, systems, and office equipment were provided. We implemented both wired and wireless infrastructure so media representatives could file stories and pictures in almost real time. The press and the public were accommodated, security was ensured, and the logistics surrounding the hearings never became the focus of the story.

We have a systematic approach for determining security measures for the many activities at the Senate and across the Capitol. The Capitol Police, with our guidance and support, established a standard matrix that they apply to Congressional events. This matrix helps the police evaluate threat intelligence, logistics needs, and various criteria related to the events; determine what level of security each event requires; and assign the appropriate resources. Our Media Galleries employ post-event reviews to improve the service they provide. For major events, our technology staff reviews past events and looks ahead to evaluate what technology is needed and

whether a specific event requires infrastructure support beyond the level customarily available.

We have made substantial progress in supporting Senate and Capitol events over the past several years. In the face of dramatically increased security needs, staff from the Sergeant at Arms and other offices supporting the Senate, as well as from across the government, coordinate their activities to provide efficient behind-the-scenes services to facilitate these historic Congressional events.

SECURITY AND PREPAREDNESS: PROTECTING THE SENATE AND PLANNING FOR THE UNKNOWN

In our security and preparedness programs, we work collaboratively with organizations across Capitol Hill to secure the Senate. We also rely upon Senate Leadership, this Committee, and the Committee on Rules and Administration for guidance and support.

Almost five years ago, our security programs started in earnest in response to an immediate need to protect the Senate and enable it to function in the midst of the catastrophic events that were occurring. Our programs are now proven and they ensure the continuity of the Senate's operations and the safety of its Members, staff, and visitors both here in Washington, D.C., and in the state offices. Events of this past year have offered opportunities to consolidate our efforts and ensure that they are comprehensive and systematic. These efforts integrate information technology with our security initiatives to deliver a comprehensive approach to security that takes advantage of all of the tools that are available to the Senate.

Our efforts to ensure that we can respond to emergencies and keep the Senate functioning under any circumstance have grown over the past years. To continue improvements in this area and better manage our security and preparedness programs, we have established seven strategic priorities to focus our efforts: Emergency Notification and Communications; State Office Security and Preparedness; Emergency Plans, Organizations, and Facilities; Training; Exercises; Office Services; and Accountability.

Each of the above elements reflects a distinct set of activities that support the Senate and that build on the Senate's layered security strategy, which is the framework we use to address security challenges.

Emergency Notification and Communications

Our emergency notification and communications initiatives ensure that we have effective communications systems, devices, and capabilities in place to support the Senate during an emergency. We have improved our notification and communications processes over the past year. We expanded the coverage and speed of delivering text alerts to the Senate when we integrated BlackBerry and e-mail alerts and notifications into one process within the Capitol Police. We expanded the telephonic alert system so it now includes more Senate staff members and its notification process is significantly faster. With an automated process for maintaining emergency contact information, each office can now use a Web interface to maintain staff emergency contact information and can designate the recipients of alert and notification messages. Over 1,100 wireless annunciators are in place across the Senate and the Capitol Police have completed the installation of a public address system that can broadcast into public areas throughout the Capitol and Senate Office Buildings. Further, if the Senate is forced to relocate, we have the capability to video teleconference and broadcast between an emergency relocation site and other Legislative Branch and Executive Branch sites.

Looking forward, we are prototyping a system to use Senate Cable Television to broadcast staff alerts and notifications. We are also testing an expansion of our emergency BlackBerry messaging to include additional carriers.

State Office Security and Preparedness

Extending security and emergency preparedness programs to Senate state offices remains an important objective of the Sergeant at Arms, and this past year's natural disasters point out the importance of this program. Over the past several years we have expanded physical security and continuity planning support to offices across the country. Physical security has been enhanced in 120 state offices, with 51 of the 120 offices completed in the past year. We are working with another 161 state offices on their individual security enhancements. Our emergency planning support emphasizes including state offices in each Member's continuity planning.

This year we are embarking on a major project to develop and implement a comprehensive program for state office security and preparedness. The program will establish guidelines, training, references, online tools, and other materials to help

state offices develop and sustain comprehensive security, emergency preparedness, and continuity planning.

Emergency Plans, Organizations and Facilities

Our emergency plans ensure that we attend to the safety of Senate Members and staff, and the continuity of the Senate in an emergency. I can report that every Member office has completed an Emergency Action Plan that is on record with our Office of Security and Emergency Preparedness.

We provide a range of publications and support for establishing, maintaining, and testing emergency and continuity plans. The publications include the *Senate's Planning Guide*, which covers both emergency preparedness and continuity planning. We established working groups to identify and address communications, facilities, transportation, and continuity. One gap we have already identified is the need for post-event care and family assistance. We are establishing plans to provide critical services to affected families following a wide-spread event. In cooperation with the Senate's Employee Assistance Program, we have conducted training with a core group of employees to establish peer support teams. That training will expand this year.

Training

Training helps Senate staff know what to expect in an emergency and how to use the equipment we provide. We train office staff to create continuity plans and emergency plans, to use the accountability systems, and to work with other staff members if a traumatic event does occur. Our training program is coordinated through the Joint Office of Education and Training.

Training activities over the past year included 56 escape hood training sessions that were delivered to 1,639 staff members; 19 chemical, biological, radiological, and explosives briefings for 358 staff; 10 intern orientations reaching 805 staff; 66 emergency action plan training sessions reaching 78 staff; eight training sessions on emergency supply kits reaching 55 staff; nine victim rescue unit training sessions for 35 staff; 15 office emergency coordinator basic and advanced training sessions reaching 131 staff; 16 emergency preparedness updates attended by 220 staff; nine mobility impaired classes; two shelter-in-place seminars attended by 50 staff; one family assistance center workshop attended by 35 staff; and special topic seminars for 140 staff. We also developed three new continuity planning classes and delivered 13 of them to 150 staff.

Exercises

We have a comprehensive exercise program to validate, evaluate, and practice existing Senate emergency plans, identify gaps in those plans, and establish and verify new requirements. This year we conducted nine major exercises in partnership with the Capitol Police and other Legislative Branch agencies, as well as a number of drills such as office building evacuations and other smaller-scale activities. We test our alert systems every month by sending test messages to all designated staff members. As part of our effort to continuously improve these processes, we implemented a system that catalogs and addresses observations and findings related to the Senate's emergency response programs.

Office Services

Over the past year we created and distributed informational and training brochures to Senate offices. We distributed 3,000 Emergency Annunciator System brochures; 6,500 Quick2000 Escape Hood brochures; and 6,500 Victim Rescue Unit brochures. *What Every Staff Member Should Know About Emergencies at the United States Senate* was distributed to 4,500 people; *Senate Office Building Evacuation Procedures for Those with Mobility Impairments* had a distribution of 3,000. We distributed 3,000 Emergency Supply Kits brochures; 2,000 copies of *"I'm Safe" Phone Home*; and 3,500 copies of the *Emergency Preparedness Guide*. In addition, we worked with 105 offices to create tailored emergency information cards, over 4,000 of which have been distributed.

We also published articles and notifications on key security and preparedness topics, and completed the rollout of much of our emergency preparedness equipment. Wireless emergency annunciators have been located across the Senate, and we participated in developing and fielding automated emergency defibrillators in our office buildings. We have deployed almost 1,200 Victim Rescue Units Senate-wide to supplement the escape hood program, and we distributed 407 Emergency Supply Kits to Senate offices. Over 20,000 items of equipment that have been distributed to offices and throughout Senate buildings have been inventoried and checked for serviceability.

As a last item, the public address system is fully operational in all the Senate Office Buildings, garages, cafeterias, and in the Senate Child Care Center and the

Page dorm. The system will be used to give instructions in the public areas of buildings during an emergency.

Accountability

During a threat or an incident, we must be able to establish an accurate and timely accounting of Senate Members and staff. In conjunction with the Capitol Police, we placed into production a system that provides the ability to take office accountability reports using tablet computers and wireless technology. The system maintains a database for personnel accountability in the event of emergency. It provides office managers and staff with the ability to construct lists for notification, delegate responsibilities for continuity activities, and track the status of office staff in an emergency. To date, 140 Senate Member and Committee offices have been trained to use the system.

We deployed a planning template that helps offices establish emergency action plans and keep them up to date. We trained 78 Office Emergency Coordinators and Chiefs of Staff on accounting for staff members, and also trained 220 staff members in emergency preparedness this past year.

As we move forward we are prototyping a remote check-in capability that will use BlackBerry devices and will enable staff to check in without reporting to the assembly area. We are also testing a system that will provide a secure way to account for Senators at a Briefing Center or Alternate Chamber. The system will be able to be updated real-time.

Mail Safety

In addition to the priorities and programs outlined above, a critical aspect of our security stems from the anthrax and ricin incidents in the past years.

As a result of these serious exposures, all mail and packages coming into the Senate are tested, whether they come through the U.S. Postal Service or from other delivery services. We have outstanding processing procedures in place here at the Senate. The organizations that know the most about securing mail cite the Senate mail facility as among the best, and when other government agencies look for ways to improve their mail security, they visit our facility.

Last year, the Senate Post Office processed and delivered over 14,200,000 items to Senate offices, including over 10,000,000 pieces of U.S. Postal Service mail; almost 4,000,000 pieces of internal mail that are routed within the Senate and other government agencies; almost 70,000 packages; and over 150,000 courier items. And we are good stewards of taxpayer dollars in the process; we processed about 90 percent of the number of items that the House of Representatives processed and we accomplished it for just over one-third of the cost that the House incurred.

Early in fiscal year 2007 we anticipate moving into a newly constructed Senate Mail Facility that will include state-of-the-art mail and package inspection and testing. The new facility will provide a safer and more secure work environment for Post Office employees. The Senate Post Office will continue to process U.S. Postal Service mail at the new facility using the techniques we currently use. Once we move into the new facility, we will also take over package processing, which is currently provided by a vendor. We expect that bringing the processing of packages in house will increase the security of the packages and will save the Senate over $200,000 annually.

Foreign Codels

Our security efforts are not limited to Capitol Hill, but also include security for Senators on foreign Congressional delegations. The Consolidated Appropriations Act, 2005 authorized Capitol Police officers to travel outside the United States in a liaison capacity to coordinate security arrangements for Senators traveling individually or as part of a CODEL. SAA staff, the Capitol Police, and the Department of State have moved forward on implementing this authority. Capitol Police officers have been trained, and, over the next year, will start accompanying the State Department security personnel to enhance the security for Senators when they travel overseas.

INFORMATION TECHNOLOGY: A STRATEGY FOR SECURITY AND CUSTOMER SERVICE

We continue to place special emphasis on leveraging technology to enhance security, emergency preparedness, service, and support for the United States Senate. Last year we created the Senate's first Information Technology Strategic Plan, *An IT Vision for Security, Customer Service and Teamwork at the United States Senate 2005–2007*, and this year we are half-way through executing that plan. We have already accomplished some impressive results.

—The Senate's state-of-the-art alternate computing facility, which helps us ensure the Senate's continuity if an event prevents us from using our primary computing facility, has been completed and fully tested.
—We continue to measure our customers' satisfaction, and to set goals for each year. This year, we set the goal at 80 percent satisfaction, and we exceeded that goal by earning a total customer satisfaction score of 85 percent, based on a 70 percent response rate from offices.
—The Senate's first security operations center, a state-of-the art command center to detect electronic threats and protect the Senate from them, has been developed and implemented.
—We have implemented the Active Directory and Messaging Architecture in 99 percent of the Senate's offices. This project, the largest and most successful infrastructure project ever undertaken in the Senate, provides a state-of-the-art messaging infrastructure tailored to meet each office's security and privacy requirements.
—We have installed 95 percent of an award-winning wireless infrastructure that supports cellular telephones, BlackBerry emergency communication devices, and data communications across the Senate campus.

An IT Vision for Security, Customer Service and Teamwork at the United States Senate 2005–2007 provided a structure for setting priorities and guiding our activities. The plan outlines a strategic technology vision, mission, and five broad information technology strategic goals. The first annual revision of the plan, *An IT Vision for Security, Customer Service and Teamwork at the United States Senate 2006–2008*, was recently produced. This updated plan will enable us to serve the Senate better by:

—Reducing paper-based manual processes and moving business online,
—Developing a consulting practice to align our information technology organization with the Senate's business requirements, and
—Creating new information security and assurance initiatives to protect the Senate's technology infrastructure and data from new forms of security threats.

We continue to invest in information technology and are pursuing major initiatives to support the Senate. The increased staffing levels requested will enable us to support new business applications, IT security, and inventory management.

Secure, Accessible, Flexible and Reliable Systems in a Modern Information Infrastructure

We are improving the security of the information infrastructure that protects data, respects privacy, enables continuous Senate operations, and supports our emergency and continuity plans. Our efforts over the past year have enabled us to support alternate sites and the replication of information, as well as emergency and contingency communications. We are delivering increased support for remote access and are completing the in-building wireless infrastructure. A significant commitment to information technology security will increasingly protect the Senate from external threats, and the multi-year telecommunications modernization project will improve the reliability of the infrastructure. This work all focuses on improving the ability of the Senate to accomplish its mission.

Alternate Sites and Information Replication

We continue to develop our ability to relocate information systems capability at the alternate computing facility (ACF). Every critical Senate enterprise information system has been replicated there, and this past December we conducted the first comprehensive test of the facility; the Senate's primary computing facilities were shut down completely and reconstituted at the ACF. This comprehensive exercise, which we intend to repeat twice a year, was a complete success. It also provided our technical staff with an opportunity to practice the procedures they would have to perform in an emergency.

This past year, with guidance from the Committee on Rules and Administration, we provided the Senate's Leadership Offices and Committees the capability to replicate all of their data files at the ACF. As of February 2006, all of the Leadership Offices and seventeen Committees had taken advantage of this capability, which provides the Senate with an unprecedented ability to access institutional data in the event of an emergency.

Emergency and Contingency Communications

We have a comprehensive array of communications systems and options available so the Senate will be able to communicate in an emergency. This year we conducted final testing on our two Senate emergency response communications vehicles. These vehicles have network, telephone, and satellite connectivity, and provide the ability to relocate much of the Senate's information infrastructure virtually anywhere. We

have trained deployment teams and are updating the vehicles' concept of operations documents.

Remote Access

Senate Continuity of Operations and reconstitution sites have been equipped with telecommunications, data networks, and video teleconferencing. Additionally, mobile and remote computing technologies allow Senate staff to access and modify their information and communicate from virtually anywhere, anytime. We provide enhanced, secure access to e-mail, files, the Senate intranet, and a host of applications. We also added the ability to provide inexpensive, secure access to our network from overseas. We will continue to enhance and expand these capabilities in order to support a potentially dispersed workforce and provide the ability to telecommute.

In-Building Wireless Infrastructure

This past year we completed installation of an in-building wireless infrastructure in all of the Senate Office Buildings. We are now working in the Capitol; the basement and attic levels are complete, and we will finish installation in the rest of the building this year. This innovative system, which won a Government Computing News Best Practices Award, improved signal strengths for the carrier for data-only BlackBerry service and for the major cellular telephone carriers. The infrastructure provides coverage in areas where it was previously poor or non-existent and enables Senate staff to connect back to their offices wirelessly. The system has substantially paid for itself, saving taxpayers nearly $3 million, because the carriers are paying us for the right to use it.

Securing our Information Infrastructure

During a recent four-month period, our most visible IT system, the Senate's website www.senate.gov, was the target of over 17 million discrete unsuccessful security events from almost 200,000 different Internet addresses. A recent external security review of the site helped us make some adjustments that will secure the site even more, but the site itself is a prime target for attacks.

Similar to security in the physical world, security in the information technology world requires constant vigilance and the ability to deter attacks. The threats to our information infrastructure are increasing in frequency and sophistication, and they come from spyware, adware, malware, trojans, keyloggers, spybots, adbots, and trackware, all of which continuously search for vulnerabilities in our systems. Countering the evolving threat environment means increasing our awareness of the situation, improving our processes, and continually researching, testing, and deploying new security technologies. Because we have very little advance notice of new types of attacks, we have flexible security control structures and processes that are continually revised and adjusted.

Protecting the Senate's information is one of the most important responsibilities of the Sergeant at Arms. This year we have taken tremendous strides in this area with the development and operation of the Senate's first security operations center (SOC). A redundant SOC is currently under construction at the alternate computing facility to ensure the Senate's continuity of information security operations. The mission of the SOC is to identify and understand threats, assess vulnerabilities, identify failure points and bottlenecks, determine potential impacts, and remedy problems before they adversely affect Senate operations. With the SOC, we implement proactive and preemptive actions to deter and thwart attacks on the Senate's information infrastructure and prevent compromise of precious and sensitive data.

We augment this capability with close liaisons to other federal agencies to ensure we have the most up-to-date information and techniques for combating the threats. Running within the SOC, a state-of-the-art security information management system aggregates and reports on data from a variety of sources worldwide to help us track potential attackers before they can harm us. The combination of the security operations center, our defense-in-depth capability at all levels of our network infrastructure, and our enterprise anti-virus/anti-spyware programs have proven highly effective.

One way we determine success in IT security is by measuring and tracking what does not happen. Because of improved processes, cooperation across the Senate, and improved security technologies, we have not experienced a systemic outage within our IT infrastructure due to a security incident in two years. Yet the threat environment, as measured by detected security incidents, remains very high. The Senate relies on electronic mail to carry out its business functions. In the past 90 days, our e-mail anti-virus controls detected and eradicated over 1.5 million infected e-mail attachments destined for Senate accounts. Other anti-virus/worm controls detected and countered 148,472 viral events from 709 computers located in 120 Senate offices between November 20, 2005, and February 20, 2006. During this same period, a

daily average of only 25–30 individual computers showed signs of infection. To date, 136 Senate offices use the managed anti-virus systems, and the systems protect over 11,000 Senate computers. This is one of the main reasons that worm outbreaks affect only about 60 Senate computers while just two years ago, outbreaks infected several thousand and caused notable disruption. Our anti-virus products are comprehensive.

Information security must continue to be an area of emphasis and growth. We will continue to invest in this technology and we plan to increase the size of this group during fiscal year 2007.

The Senate Telecommunications Modernization Program

We are currently in the midst of a multi-year plan to modernize the Senate's entire telecommunications infrastructure. The modernization will provide improved reliability and redundancy to support daily operations and continuity concerns, and will take advantage of technological advances to provide a more flexible and robust communications infrastructure. During this past year we completed gathering the requirements and we now are in the final stages of preparing a request for proposals to be released this spring. We anticipate entering into a contract this summer to upgrade or replace Senate telecommunications systems, including the main DMS–100 telephone switch, G3i PBX, Conference Bridge, fax broadcast system, Group Alert System, voice mail system, and the telecommunications management system that we use for provisioning of telephone service and to generate the telephone bills and directories.

Most of the Senate's voice communications infrastructure is based on older technologies. Under the telecommunications modernization program, we will re-engineer this infrastructure to provide redundancy for increased reliability and availability resulting in a state-of-the-art system built upon converged voice, data, and video communications technologies. This approach will allow economies of scale in construction and management, and from the user's side, the ability in the future to have a synchronized audio and video conference with document sharing and collaboration at their workstation. Users may also be able to access live or archived video on their workstation, and combine information from a database with a telephone call that is being transferred from one person to another.

Modern Technology to Enhance Customer Service

Customer Service, Satisfaction, and Communications

We continue to pay attention to how well we meet the Senate's technology needs. Our third annual CIO Customer Satisfaction survey revealed that we reached an overall customer satisfaction rating of 85 percent. We have conducted follow-up surveys for the last two years, and our customer satisfaction rating increased in each of those years. These results are very exciting and they indicate that we are moving in the right direction. The Customer Satisfaction survey helps the CIO organization develop a focused customer satisfaction action plan.

This year, to provide status and critical information about Senate systems more quickly, we instituted a comprehensive system outage notification strategy linking e-mail notifications, Help Desk activity, and the Senate's intranet to report system outage information in near-real time. Another new and innovative communication approach we implemented is a CIO Web log or blog, which uses the power of the intranet as a communication channel to disseminate information to our customers quickly.

We opened a new technology resource center in March that serves as a common technology document repository and technical library. This facility, with both hard-copy documents and an on-line library, is an outstanding resource for sharing technical information and for documenting and recording business practices for continuity purposes.

In addition to our annual comprehensive survey, our Help Desk follows all of its service calls with a customer satisfaction survey. This past year our Help Desk contractor consistently posted customer satisfaction results at or above 96 percent.

A New Information Technology Support Contract

The final option period of our current IT support contract ends in September 2007. Due to the contract's large size, importance with respect to customer service, and complexity, we have begun the process of constructing a request for proposals that incorporates the lessons we have learned during the current contract. We expect to release the request for proposals during the summer of 2006, with contract award in early 2007. We plan to allow for a transition period to ensure minimal disruption or degradation in service quality.

A Robust, Reliable, Modern Messaging Architecture

We are completing deployment of the comprehensive Active Directory and Messaging Architecture that provides a spectrum of options for data management that ranges from centralized to distributed. A great success story, this project began in 2003 with the three primary goals of providing a computing platform that would enable offices to replace servers running the now-unsupported Windows NT 4 operating system, improving the messaging system, and providing offices with choices to meet their varying business needs. Technical design was led by CIO staff with support from our vendor partners. The design options were presented to Senate offices along with the expected impact on each office of migrating all computers, user accounts, and e-mail. We committed to specific time frames for completing each office migration, and we met those timeframes for every office.

Web-Based and Customer-Focused Business Applications

The CIO completed the design for the first Senate services portal this year. Based on requirements of Senate Leadership and the Committee on Rules and Administration, the portal, called TranSAAct, will move paper-based, manual processes to the Web. TranSAAct will allow Member offices to manage and track invoices for SAA services through a Web interface, and it will provide access to a host of Web-based applications, such as the on-line Service Academy Nominations System. Built on an extensible modern database framework, TranSAAct will allow for expansion as new applications are added. With the formal design of TranSAAct's first phase complete, we are currently engaged with the Administrative Managers Steering Group in a user verification and validation process that will lead to complete development and Senate-wide rollout later this year.

We have continued delivering support to the Secretary of the Senate through improvements and enhancements of the Financial Management Information System (FMIS) and the Legislative Information System (LIS). We worked with the Secretary supporting FMIS by providing four Web FMIS releases which added functionality, improvements to the user interface, and enhancements to disaster recovery processes.

Enhanced Communications and Infrastructure

A variety of projects will provide enhanced communications within and between offices. Enhanced communications are being delivered on an improved network infrastructure, and frame relay bandwidth to the state offices has been significantly increased to support videoconferencing and data replication. The highly successful videoconferencing program, which enables staff members in Capitol Hill offices to conduct videoconferences with state offices and other remote locations, has installed nearly 400 endpoints to date. The electronic fax program is replacing stand-alone fax machines with an integrated server-based fax system that eliminates paper. We anticipate completion of the enterprise tape backup system during this year; the system already automatically backs up over one hundred servers located in our primary computing facility to the alternate computing facility.

Promoting Modern Information Technology in the Senate

A new Technology Demonstration Center, located with our customers in the Dirksen Senate Office Building, was opened this past year. At the Center, customers can try all of the available information technology equipment before making purchases. We also use the Center for live demonstrations of new and emerging technologies. We anticipate more of these types of activities in the Demonstration Center in the upcoming year.

Last year we hosted two highly successful Senate Emerging Technology Conferences and Exhibitions to expose Senate staff members to new technologies and concepts. These conferences are designed around technology themes of immediate interest Senate-wide.

In order to perform technology assessments, feasibility analysis, and proof of concept studies, we recently created an advanced technology assessment laboratory. Technologies and solutions are vetted and tested here prior to being announced for pilot, prototype, or mass deployment to the Senate. Results of studies performed in the laboratory are published on the emerging technology page of the CIO's intranet site on Webster. To ensure that the laboratory considers the proper technologies and solutions, we have also chartered a Senate-wide technology assessment group consisting of members of the CIO organization and our customers. The group performs high-level requirements analysis and helps prioritize new technologies and solutions for investigation in the laboratory, prototype development, pilot, and full-scale rollout.

The commitment to exceptional customer service is a hallmark of the Sergeant at Arms organization and the cornerstone of our support functions. The groups that make up our support team continue to provide exceptional customer service to the Senate community.

Capitol Facilities

Capitol Facilities staff works around the clock to ensure that the furniture and furnishings are of the highest quality, cabinetry and framing are outstanding, and the environment within the Capitol is clean and professional. We are in the process of implementing an integrated work management system with a Web interface for service requests. The system will enable customers to view all furnishings currently in stock without making an escorted trip to the storage facility, to request environmental services and keys, and to view special function rooms and request set-ups. Customers will be able to check the status of their requests through tracking numbers.

This past year we also increased our support for the Senate in our framing and furnishings areas. We purchased a dry mounting press that expands the framing shop's capabilities by enabling permanent mounting of newspaper articles and photos, and we implemented a furniture finishing protocol that replicates the original finish for historical pieces in the Capitol.

The opening of the Capitol Visitor Center will add 66,500 square feet of Senate space to our responsibilities: 41,000 square feet of office space, 8,000 square feet of meeting space, and 17,500 square feet of other space. Compared to our current obligations, we will clean and maintain almost one-third more office space and three times more meeting space, and will furnish over 50 percent more office and meeting space. This will require us to hire 17 new employees before the Center opens.

Printing, Graphics, and Direct Mail

Printing, Graphics, and Direct Mail, or PGDM, provides printing, photocopying, design, and production services to the Senate. Last year, it printed 16,850,962 sheets in color (a 12 percent increase over the 2004 volume, and 400 percent increase over 2003), and it produced almost 10,000 floor charts. PGDM provides a variety of other services to the Senate including the management of the Senate Support Facility, and support for the digital scanning of incoming constituent correspondence.

Senate Support Facility.—We are pleased to report that we have a new, fully operational Senate Support Facility that enables us to provide secure storage for use by the Secretary of the Senate and the Sergeant at Arms. This facility provides a secure, climate-controlled environment to warehouse the Senate's historical art and artifacts, Senate equipment and supplies, and some of the Senate's emergency transportation vehicles. The facility came on-line this past February, and all the contents and functions of the six previously dispersed warehouse locations have been moved and consolidated into the new facility.

Correspondence Support.—During 2005 the guidance we provided to Members' staffs on addressing outgoing mail in a format that takes full advantage of postage discounts resulted in savings of almost $2 million. We also started offering digital scanning of incoming constituent mail and outgoing response letters that works in conjunction with the existing correspondence management systems. This new capability enables users to import images of their office mail. Sixteen Senate offices have chosen to use these imaging services, and we scanned more than 240,000 documents during the first twelve months of this program.

Employee Assistance Program

Over the past year we enhanced and expanded our Employee Assistance Program. The program provides assessments and short-term counseling for Senate staff and their family members twenty-four-hours-a-day, seven-days-a-week. It improves the ability of supervisors to manage troubled employees, to enhance the work environment, and to improve employee job performance. It also helps employees find the resources they need to address some of the personal challenges they face every day. The Employee Assistance Program coordinates with security staff to train people on reacting to emergencies and to ensure that processes are in place to deal with emergencies.

During the past year, the EAP staff worked with people in the offices affected by Hurricane Katrina, and built even stronger relationships with managers across the Senate. The staff also trained a Peer Support Team that can provide immediate support to employees and their family members if they are affected by a critical event.

Recording Studio

The Recording Studio televises the activity on the Senate Floor and in Committee hearings, and it provides a production studio and equipment for Senators' use. Last year, it televised all 1,222 hours of Senate Floor proceedings, as well as 744 Committee hearings.

Committee Hearing Room Upgrade.—In 2003 we started a project to upgrade and install multimedia equipment in Committee hearing rooms. The project included digital signal processing, audio systems, and broadcast-quality robotic camera systems.

To date we have installed upgrades in eight hearing rooms. Several more rooms are scheduled for upgrades in the near future. These enhancements include improved speech intelligibility and software-based systems that we can configure based on individual Committee needs. The system's backup will take over within minutes if the main electronics fail, and because the system is networked, staff can automatically route audio from one hearing room to other hearing rooms to accommodate overflow crowds.

The most significant work we anticipate for the Senate Recording Studio over the next year is its move to the Capitol Visitor Center. This move will enable the Recording Studio to complete its upgrade to a full High Definition facility, and to implement a number of improvements that have been planned to coincide with the opening of the Center.

Education and Training

The Joint Office of Education and Training provides employee training and development opportunities for all Senate staff in Washington, D.C., and in the states. This past year, we conducted an assessment of our training program to ensure we are meeting the needs of the Senate community. The assessment helped us identify skills that are fundamental to success at the Senate, including the ability to communicate effectively and collaborate well. We also identified key skills for managers and supervisors, including the ability to motivate, create a vision, organize, and delegate. In response to the needs we identified, we will offer certificate curricula in communications and teamwork.

The Education and Training group offered 425 classes in 2005, with 6,920 Senate staff members taking advantage of these classes. The registration desk handled 31,960 e-mails, telephone calls, and on-line registration requests.

Of the total number of classes, the technical training group offered 187 classes to 1,521 staff members, and provided coaching on various software packages and other computer-related subjects to 702 staff members. The professional development area offered 237 classes to 4,973 students, and delivered more than 50 special training and team building sessions to Member and Committee offices. The professional development group addresses team performance, communication, and conflict resolution, and we encourage managers and supervisors to request customized training for their offices. During the last quarter of the year, staff from the professional development group offered training through video teleconferencing to two state offices. In the health promotion area, 1,492 staff members participated in the Annual Health Fair held in September, and 1,240 participated in health promotion activities throughout the year, including cancer screening, bone density screening, and seminars on health-related topics.

Most of the classes we offer are practical only for staff based in Washington, D.C., but we are continuing to expand our offerings to state office staff. In 2005 we offered three sessions of the State Training Fair to 119 state office staff, and we conducted our annual State Directors Forum for the 37 state managers and directors. The "Virtual Classroom," an Internet-based training library of over 500 courses, also enables state office staff to take advantage of the Senate's training resources; 379 staff members from state offices and Washington, D.C., have taken advantage of this training option.

CHALLENGES FOR NEXT YEAR

We met the challenges that we faced this year, and adapted our responses to provide better service and support to the Senate. While we do not know all the challenges next year will bring, we can anticipate some of them. We expect that the Capitol Visitor Center will open, that we will start to move forward on an enhanced process for issuing and accounting for Congressional identification and access cards, and that this year's election will result in some changes in the membership of the Senate. We also know that we will face challenges related to IT security, our technical infrastructure, and our work moving the Senate's business to the Web. We are planning for these changes.

Capitol Visitor Center

The opening of the Capitol Visitor Center (CVC) will affect much of the work of this office. The Capitol Facilities group will be affected dramatically, since the work of that group will expand to include one-third more space than it currently maintains. The opening will also affect the Senate Recording Studio, which will move into the new space. The CVC incorporates significant security features, and we are working with other agencies to develop the processes to ensure that the Capitol remains secure.

As part of the Capitol Visitor Center, we are installing state-of-the-art communications facilities in the Senate expansion space. We will provide a redundant communications path into the Capitol, and our in-building wireless coverage for cellular devices will extend into the core of the Center as well as into the Senate expansion space. We will also provide any additional office automation equipment required by the occupants of the space. Since most of the CVC's occupants are going to relocate from elsewhere on Capitol Hill, we do not expect to spend a significant amount of money on new equipment.

Congressional Identification and Access Cards

The Executive Branch is implementing a major initiative to use Smart Cards as standard identification and access cards across all departments of the federal government. We have been following the progress it is making, and are also looking to determine how to increase the security surrounding identification and access cards issued at the Senate and across the Legislative Branch agencies. The processes for issuing cards are different across the Capitol campus. We are starting to work with representatives from each major Legislative Branch agency to identify the requirements that satisfy each agency's or organization's security policies so we can determine how we might create standard processes. Just within the Senate, we issue identification and access cards to people from the media, pages, interns, temporary staff, full-time staff, and others. During the 108th Congress, we issued 41,000 cards—15,000 to the press. The challenge of tracking and recovering these cards has been daunting. By undertaking this initiative, we expect to be able to increase the accountability for the cards and the security of the Senate.

Transition to New Congress

This year, we will also face one challenge that we face every other year: the transition to a new Congress. Thirty-three Senators face election this year, and four Members have announced their retirement, so we will have at least four new Senators next year. The transition includes providing space for newly elected Senators, and providing the whole range of support they need to set up their offices and start accomplishing their work for the American people. We provide orientation for newly elected Senators, their Chiefs of Staff, and their Administrative Managers. We work to ensure that newly elected Senators learn about the resources available to help them serve their constituents and accomplish their legislative goals. We also make sure returning Senators and staff receive up-to-date information about the services available.

We are engaged in closing down state and Capitol Hill offices of departing Members, equipping the transition office to house Senators-elect from the date of election until the beginning of the next Congress, moving the newly sworn-in Senators into their temporary suites, and then moving offices as required during the regular office move process.

For closing offices, we shut down all communications services, determine which equipment can be inherited by Members' successors, and inventory and remove all equipment in coordination with the other activities of the office. For new and relocated offices, we establish all communications facilities, acquire and install all office automation and general office equipment, and ensure that everything works as it should.

IT Security

In the IT security threat environment, the list of potential threats to our information infrastructure is growing in number and sophistication. Over the next year, we will meet the challenge of managing a volatile security environment by: (1) expanding the role of the recently established security operations center; (2) optimizing our current configuration of security controls; (3) improving our collaboration with other federal agencies in the areas of incident response and situational awareness; (4) evaluating, testing, and deploying new security control mechanisms; and (5) enhancing communication with IT staff in Member and Committee Offices to give them timely and usable information in order to improve the security posture of their local IT systems.

Information Technology Infrastructure

We will complete the build out of the wireless infrastructure for laptops; for the Parking, Guide Service, and Capitol Police radio systems; and for the Senate Cloakroom paging systems. We will also aggressively pursue alternative hand-held communications devices and we will ensure that any devices we support will deliver seamless emergency notifications. Finally, over the next year we will award the telecommunications modernization contract and complete its first phases. This comprehensive upgrade and replacement of our telecommunications systems will enable the Senate to take advantage of Voice over Internet Protocol and converged voice, video, and data communications.

Moving Business to the Web and Enterprise Software Initiatives

We will continue our initiatives to reduce paperwork and move business to the Web by developing the TranSAAct portal to deliver and integrate services and systems and provide two-way Web interaction between customers and service providers. As we move forward on TranSAAct, we are working with Senate customers to identify and integrate additional requirements. We are also planning for the next major release of Microsoft's operating system, Vista. Deploying this system and integrating it with other applications will require tremendous effort. Building on these developments, we will work toward integrating systems and applications through a Web-services architecture that will reduce redundancy and eliminate "stove-pipe" systems.

CONCLUSION

We take our responsibilities to the American people and to their elected representatives seriously. The Office of the Sergeant at Arms is like dozens of small businesses, each with its own primary mission, each with its own measures of success, and each with its own culture. It has a fleet of vehicles that serves Senate Leadership, delivers goods, and provides emergency transportation. Our Photography Studio records historic events, takes official Senate portraits, provides the whole range of Capitol photography services, and delivers thousands of pictures each year. The SAA's printing shop provides layout and design, graphics development, and production of everything from newsletters to floor charts. The Office of the Sergeant at Arms also operates a page dormitory, a hair salon, and parking lots. It provides many other services to support the Senate community, including framing, flag packaging and mailing, and intranet services. Each of these businesses requires personnel with different skills and different abilities. One thing that they all have in common, though, is their commitment to making the Senate run smoothly.

Over the past year, the staff of the SAA has kept the Senate safe, secure, and operating efficiently. This Committee and the Committee on Rules and Administration have provided active, ongoing support to help us achieve our goals. We thank you for your support and for the opportunity to present this testimony and respond to any questions you may have.

APPENDIX A—FISCAL YEAR 2007 BUDGET REQUEST

ATTACHMENT I

FINANCIAL PLAN FOR FISCAL YEAR 2007

OFFICE OF THE SERGEANT AT ARMS—UNITED STATES SENATE

EXECUTIVE SUMMARY

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
General Operations & Maintenance:				
Salaries	$56,700	$62,604	$5,904	10.4
Expenses	$65,505	$79,211	$13,706	20.9
Total General Operations & Maintenance	$122,205	$141,815	$19,610	16.0
Mandated Allowances & Allotments	$55,282	$57,757	$2,475	4.5
Capital Investment	$17,262	$19,831	$2,569	14.9

EXECUTIVE SUMMARY—Continued

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
Nondiscretionary Items	$3,951	$4,640	$689	17.4
TOTAL	$198,700	$224,043	$25,343	12.8
Staffing	910	944	34	3.7

To ensure that we provide the highest levels and quality of security, support services and equipment, we submit a fiscal year 2007 budget request of $224,043,000, an increase of $25,343,000 or 12.8 percent compared to fiscal year 2006. The salary budget request is $62,604,000, an increase of $5,904,000 or 10.4 percent, and the expense budget request is $161,439,000, an increase of $19,439,000 or 13.7 percent. The staffing request is 944, an increase of 34 FTEs.

We present our budget in four categories: General Operations and Maintenance (Salaries and Expenses), Mandated Allowances and Allotments, Capital Investment, and Nondiscretionary Items.

—The general operations and maintenance salaries budget request is $62,604,000, an increase of $5,904,000 or 10.4 percent compared to fiscal year 2006. The salary budget increase is due to the addition of 34 FTEs, a COLA, and merit funding. The additional staff will support the Capitol Visitor Center, augment our security team, expand services, and meet new requirements for the Senate community.

—The general operations and maintenance expenses budget request for existing and new services is $79,211,000, an increase of $13,706,000 or 20.9 percent compared to fiscal year 2006. Major factors contributing to the expense budget increase are emergency preparedness in security operations and planning, $7,847,000; additional services and locations under the IT support contract, $1,535,000; telephone system maintenance, $1,097,000; consulting and equipment purchases for the Active Directory Messaging Architecture, $1,024,000; and maintenance costs related to Enterprise Storage, $585,000.

—The mandated allowances and allotments budget request is $57,757,000, an increase of $2,475,000 or 4.5 percent compared to fiscal year 2006. This variance is primarily due to an increase in Member mail system costs, $1,745,000; and state office security enhancements of $700,000, offset by decreases in office lease costs.

—The capital investment budget request is $19,831,000, an increase of $2,569,000 or 14.9 percent compared to fiscal year 2006. The fiscal year 2007 budget request includes funds for the replacement and upgrade of the telephone system, $10,475,000; data network engineering costs, $2,345,000; electronic printing and publication network, $1,800,000; hardware purchases related to the SAN upgrade, $1,750,000; and the Network Upgrade project, $1,646,000.

—The nondiscretionary items budget request is $4,640,000, an increase of $689,000 or 17.4 percent compared to fiscal year 2006. The request funds three projects that support the Secretary of the Senate: contract maintenance for the Financial Management Information System (FMIS), $3,703,000; maintenance and necessary enhancements to the Legislative Information System (LIS), $840,000; and maintenance and enhancements to the Senate Payroll System, $97,000.

ATTACHMENT II.—FISCAL YEAR 2007 BUDGET REQUEST BY DEPARTMENT

The following is a summary of the SAA fiscal year 2007 budget request on an organizational basis.

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
Capitol Division	$25,568	$35,399	$9,831	38.5

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
Operations	$52,515	$53,558	$1,043	2.0
Technology Development	$41,153	$47,676	$6,523	15.9
IT Support Services	$66,927	$71,901	$4,974	7.4
Staff Offices	$12,537	$15,509	$2,972	23.7
TOTAL	$198,700	$224,043	$25,343	12.8

Each department's budget is presented and discussed in detail on the next pages.

CAPITOL DIVISION

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
General Operations & Maintenance:				
Salaries	$14,530	$15,908	$1,378	9.5
Expenses	$7,938	$15,691	$7,753	97.7
Total General Operations & Maintenance	$22,468	$31,599	$9,131	40.6
Mandated Allowances & Allotments	$3,100	$3,800	$700	22.6
Capital Investment	.....	.....	.....	.....
Nondiscretionary Items	.....	.....	.....	.....
TOTAL	$25,568	$35,399	$9,831	38.5
Staffing	273	278	5	1.8

The Capitol Division consists of the Executive Office, the Office of Security and Emergency Preparedness, the U.S. Capitol Police Operations Liaison, Post Office, Recording Studio and Media Galleries.

The general operations and maintenance salaries budget request is $15,908,000, an increase of $1,378,000 or 9.5 percent. The salary budget increase is due to the addition of five FTEs, a COLA and merit increases, and other adjustments. The Office of Security and Emergency Preparedness requires an additional COOP planning specialist, and the Post Office will add four mail specialists to handle the opening, examining, and sampling of commercially delivered packages to the new Senate offsite processing facility.

The general operations and maintenance expenses budget request is $15,691,000, an increase of $7,753,000 or 97.7 percent, and will primarily will fund security consultants and services required by the Office of Security and Emergency Preparedness.

The mandated allowances and allotments budget request for state office security initiatives is $3,800,000.

OPERATIONS

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
General Operations & Maintenance:				
Salaries	$16,592	$18,308	$1,716	10.3
Expenses	$5,971	$6,323	$352	5.9
Total General Operations & Maintenance	$22,563	$24,631	$2,068	9.2

OPERATIONS—Continued

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
Mandated Allowances & Allotments	$27,332	$26,777	($555)	−2.0
Capital Investment	$2,620	$2,150	($470)	−17.9
Nondiscretionary Items	.....	.....	.....	.....
TOTAL	$52,515	$53,558	$1,043	2.0
Staffing	302	319	17	5.6

The Operations Division consists of the Central Operations Group (Director/Management, Parking Office, Printing, Graphics and Direct Mail, Photo Studio, and Hair Care Services), Facilities, and the Office Support Services Group (Director, Customer Support, State Office Liaison, IT Request Processing and Administrative Services).

The general operations and maintenance salaries budget request is $18,308,000, an increase of $1,716,000 or 10.3 percent. The salary budget increase is due to the addition of 17 FTEs, an expected 3.5 percent a COLA, and merit increases. Facilities expects to hire 17 staff to maintain the Senate expansion space in the Capitol Visitor Center.

The general operations and maintenance expenses budget request is $6,323,000, an increase of $352,000 or 5.9 percent. In Printing, Graphics and Direct Mail, increases in software and equipment maintenance, $185,000, and purchased equipment, $120,000, are offset by a decrease in warehouse rent, $860,000. Facilities furnishings and materials increase $516,000.

The mandated allowances and allotments budget request is $26,777,000, a decrease of $555,000 or 2.0 percent. This decrease is due to projected decreases in commercial and federal office expenses.

The capital investment budget request is $2,150,000, a decrease of $470,000 or 17.9 percent. Funding is requested to purchase a new electronic printing and publishing network, $1,800,000, and to replace photo printing equipment and upgrade software, $250,000.

TECHNOLOGY DEVELOPMENT

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
General Operations & Maintenance:				
Salaries	$11,787	$13,127	$1,340	11.4
Expenses	$22,948	$23,398	$450	2.0
Total General Operations & Maintenance	$34,735	$36,525	$1,790	5.2
Mandated Allowances & Allotments	.....	.....	.....	.....
Capital Investment	$2,467	$6,511	$4,044	163.9
Nondiscretionary Items	$3,951	$4,640	$689	17.4
TOTAL	$41,153	$47,676	$6,523	15.9
Staffing	134	140	6	4.5

The Technology Development Services includes the Technology Development Director, Network Engineering and Management, Enterprise IT Operations, Systems Development Services, Information Systems Security and Internet/Intranet Services.

The general operations and maintenance salaries budget request is $13,127,000, an increase of $1,340,000 or 11.4 percent. The salary budget increase is due to the addition of six FTEs, a COLA and merit funding for fiscal year 2007. Technology Development requires six FTEs to support the growing demand on IT Security, to meet additional requirements for the ACF, and to eliminate of a backlog of development projects.

The general operations and maintenance expense budget request is $23,398,000, an increase of $450,000 or 2.0 percent. This increase is due to increased equipment maintenance and professional services costs in IT Security, $422,000; the purchase of computer and mainframe equipment and furnishings in Enterprise IT Operations, $638,000; and hardware and software maintenance for Enterprise Storage, $585,000, offset by a decrease in support costs for the Senate Messaging Infrastructure, $1,000,000.

The capital investment budget request is $6,511,000, an increase of $4,044,000 or 163.9 percent. Major projects include the SAN Upgrade, $1,750,000; network upgrade in support the Telecom Modernization Plan, $1,550,000; and the fiber optic migration, $900,000.

The nondiscretionary items budget request is $4,640,000, an increase of $689,000 or 17.4 percent. The request consists of three projects that support the Secretary of the Senate: contract maintenance for the Financial Management Information System (FMIS), maintenance and necessary enhancements to the Legislative Information System (LIS), and maintenance and enhancements to the Senate Payroll System.

IT SUPPORT SERVICES

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
General Operations & Maintenance:				
Salaries	$5,714	$6,260	$546	9.6
Expenses	$24,663	$27,821	$3,158	12.8
Total General Operations & Maintenance	$30,377	$34,081	$3,704	12.2
Mandated Allowances & Allotments	$24,850	$27,180	$2,330	9.4
Capital Investment	$11,700	$10,640	($1,060)	−9.1
Nondiscretionary Items	.....	.....	.....	.....
TOTAL	$66,927	$71,901	$4,974	7.4
Staffing	105	107	2	1.9

The IT Support Services Department consists of the Director, Office Equipment Services, Telecom Services and Desktop/LAN Support branches.

The general operations and maintenance salaries budget request is $6,260,000, an increase of $546,000 or 9.6 percent. The salary budget will increase due to the addition of two FTEs, a COLA, and merit funding for fiscal year 2007. The additional FTEs will support procurement activities and provide advanced technical expertise.

The general operations and maintenance expenses budget request is $27,821,000, an increase of $3,158,000 or 12.8 percent. The most significant factors contributing to this increase are telephone system maintenance costs, $1,097,000, and annual escalations in the IT Support Contract, $1,535,000.

The mandated allowances and allotments budget request is $27,180,000, an increase of $2,330,000 or 9.4 percent. Major factors contributing to this budget request are voice and data communications for Washington D.C. and state offices, $17,395,000; procurement and maintenance of Members' constituent mail systems, $6,000,000; procurement and maintenance of office equipment for Washington D.C. and state offices, $2,857,000; and Appropriations Analysis and Reporting System, $500,000.

The capital investment budget request is $10,640,000, a decrease of $1,060,000 or 9.1 percent, and consists primarily of equipment purchases for the replacement of the Capitol Hill telephone system, $10,475,000.

STAFF OFFICES

[Dollar amounts in thousands]

	Fiscal Year 2006 Budget	Fiscal Year 2007 Request	Fiscal Year 2007 vs. Fiscal Year 2006	
			Amount	Percent Incr/ Decr
General Operations & Maintenance:				
Salaries	$8,077	$9,001	$924	11.4
Expenses	$3,985	$5,978	$1,993	50.0
Total General Operations & Maintenance	$12,062	$14,979	$2,917	24.2
Mandated Allowances & Allotments	.....	.....	.....	.....
Capital Investment	$475	$530	$55	11.6
Nondiscretionary Items	.....	.....	.....	100.0
TOTAL	$12,537	$15,509	$2,972	23.7
Staffing	96	100	4	4.2

The Staff Offices Division consists of Education and Training, Financial Management, Human Resources, Employee Assistance Program, Process Management & Innovation, and Special Projects.

The general operations and maintenance salaries budget request is $9,001,000, an increase of $924,000 or 11.4 percent. The salary budget increase is due to the addition of four FTEs, a COLA, and merit funding. Process Management and Innovation requires two FTEs to oversee the Active Directory Messaging Architecture. Human Resources and Employee Assistance Program each requests an additional FTE to accommodate increased staff and demand.

The general operations and maintenance expenses budget request is $5,978,000, an increase of $1,993,000 or 50.0 percent. The bulk of this increase is due to funding for Process Management and Innovation's professional services and consultants in support of information technology prototypes and innovation research and development.

The capital investment budget request is $530,000, an increase of $55,000 or 11.6 percent, for continuing project support.

STAFFING INCREASES

Senator ALLARD. Well, thank you. I have a few questions that I feel that we need to ask to fully understand what kind of plan you are putting together. As we have mentioned, you have requested 34 additional staff. Half of those are for the CVC—they are new jobs. The other half is for duties and responsibilities outside the Capitol Visitor Center, and I would like to have an explanation of why you need those and what functions are driving that additional staff requirement outside the Capitol Visitor Center.

Mr. PICKLE. Okay. Mr. Chairman, if I may, let me give you a broad answer for those 17 outside the Capitol and then give you a written response that breaks down each position. I think this will give you a much more thorough answer.

Senator ALLARD. That would be helpful.

MAIL SAFETY

Mr. PICKLE. Okay. Essentially, the 17 positions outside the CVC are positions that, for the most part, support or enhance security. For instance, 4 of those 17 are positions that will go to our new mail and package facility. As you know, we currently process our own mail at the Senate Post Office. It will be a state-of-the-art facility that this subcommittee has funded. By all accounts, it's one of the best in the Nation. A vendor currently processes packages,

and we are taking over the package screening and delivery process ourselves. We will use four Federal employees to do it. We believe the cost savings will be about $200,000 per year. We base this on what we are currently paying to the vendor, and we also base it on what we see being done on the House side. I like to brag a little bit about our staff and what this subcommittee has supported in that regard. We currently process about 90 percent of the mail volume that the House does. A lot of people think it should be much more on the House side, but it's not. Our volume is 90 percent of the House's volume. Yet, we process that mail at almost a $7 million savings per year because we use Senate employees. We think similar savings—not as great—will result from using Senate employees for the packaging process. In addition to those four staff members, there are other FTEs sprinkled throughout the SAA to support network applications, technology, as well as security and preparedness. One of the positions which I do want to highlight for just a moment is in our Employee Assistance Program. I don't think people realized how important that program is until we began to professionalize it here several years ago. Our Employee Assistance Program is under a lot of demand from the Senate community. As you know, every time we have an incident or a crisis here, we are overwhelmed with the particular needs of the staff who work here. This program also helps and benefits each office a great deal. It helps managers. It helps staff directors. It teaches staff to deal with employees that may have some problems and issues. It is a single position, but it's a very important position. And so what I would like to do with all the others, if I may, is give you a much more detailed breakdown, sir.

[The information follows:]

SERGEANT AT ARMS POSITION JUSTIFICATION—FISCAL YEAR 2007

Department: Office of Security & Emergency Preparedness
Branch/Section: Continuity Programs
Position Title: Continuity Of Operations Planning (COOP) Planning Specialist
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB10, $67,675–$101,508
Essential Duties of Position: The new staff will operationally support the continuity program's existing relocation facilities and those that are coming online or being planned for fiscal year 2006. The new staff will work from classified or sensitive sites to ensure the Senate's operational viability, and will support the State Office COOP planning efforts that were initiated in fiscal year 2006.

Are these duties being performed now? If yes, state by whom and why a new position is requested. Some of these duties are being performed now. Current staff is assigned to support primary contingency facilities within the National Capitol Region and to support Member Offices' COOP planning efforts, but this leaves other facilities unattended with questionable operational status in the event of an emergency. The COOP planning support for Members' DC and State office locations is currently not being adequately supported and this work will overwhelm our current planning and preparedness capabilities.

If this request is not approved, what will be the service or cost impact on the Senate: If the request is not approved, the level of planning, preparedness, and response to ensure an effective transition to a continuity of operations situation for Member Offices, Committees, Senate Offices, and the Senate as a whole will not be adequate. Not approving this position would limit our ability to support Member and Committee Offices' continuity planning efforts as well as our ability to ensure facility readiness for the Senate as a whole.

Department: Facilities
Branch/Section: Environmental Services
Position Title: Facilities Worker

No. of Positions Requested: 14
Pay Band Pay Band & Salary Range: Salary Range: PB3, $33,824–$50,733
Essential Duties of Position: The new facilities day staff will clean corridors, perform stairway maintenance, set up water for special events, and clean up waste. Throughout the day, the staff will ensure that the area is clean, decontaminated, and free of all fluid, debris, spots, stains and odor. The staff will assist in moving furniture, delivering non-furniture items, cleaning public restrooms, setting up for special events, and removing trash.

The new facilities night staff will clean elevators and stairwells, conduct early morning room set-ups and break downs, and clean corridors and restrooms. The staff will also undertake nightly office cleaning and floor care, and will spot clean fabric wall panels.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are not currently being performed. They will be required upon the opening of the Senate Expansion Space of the CVC.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, we believe that the cost of contracting these services at the service level the Senate expects would be prohibitive. Capitol Facilities provides a significantly higher level of service than does the AOC's contractor. Capitol Facilities consistently delivers the high level of service required by the Senate, including an environment that is consistently dust-, debris-, and smudge-free; restrooms that are stocked, cleaned and sanitized; and floors that are free of dust, debris, soil and stains.

Department: Facilities
Branch/Section: Environmental Services
Position Title: Lead Facilities Worker
No. of Positions Requested: 2
Pay Band Pay Band & Salary Range: Salary Range: PB4, $37,581–$56,368
Essential Duties of Position: New staff will dedicate 75 percent of their time to performing the same duties as the Facilities Workers that make up their teams. The remaining time will be dedicated to inspecting the team's work.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are not currently being performed. They will be required upon the opening of the Senate Expansion Space of the CVC.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, we believe that the cost of contracting these services at the service level the Senate expects would be prohibitive. Capitol Facilities provides a significantly higher level of service than does the AOC's contractor. Capitol Facilities consistently delivers the high level of service required by the Senate, including an environment that is consistently dust-, debris-, and smudge-free; restrooms that are stocked, cleaned and sanitized; and floors that are free of dust, debris, soil and stains.

Department: Facilities
Branch/Section: Facilities Management
Position Title: Facilities Services Supervisor
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB6, $46,395–$69,593
Essential Duties of Position: New staff will assign work, provide performance accountability, and provide leadership to the team leaders and facilities workers. In addition this staff member will plan work, ensure adherence to safety procedures and measures, and ensure that staff members comply with Capitol Facilities policies and procedures.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are not currently being performed. They will be required upon the opening of the Senate Expansion Space of the CVC.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, facilities workers and team leaders will not have the guidance necessary to meet the cleaning and service needs of the Senate Expansion Space. Customer service and customer service will be affected adversely.

Department: Post Office
Branch/Section: Package Delivery Services
Position Title: Mail Specialist
No. of Positions Requested: 3
Pay Band Pay Band & Salary Range: Salary Range: PB3, $33,824–$50,733
Essential Duties of Position: New staff will screen all incoming commercial carrier package deliveries (e.g., deliveries from UPS, FedEx, DHL, etc.). In addition, these

three specialists will process items that are too large for the Congressional Acceptance Site.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are currently being performed by a contractor. The current service levels provided by the contractor are inadequate and result in late deliveries, incorrect routings, and damaged, lost, and unprocessed items.

The new positions are requested to enable the Senate Post Office to bring the processing of packages in house. We expect that this will result in significantly better service. The cost to the Senate is approximately $170,000 per year, but will result in savings in excess of $200,000 annually.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, the Senate will continue to experience inadequate service levels, and it will not realize the $200,000 savings that we anticipate. The Senate will have to continue contractor support at approximately $470,000 per year. Costs and savings represent total amounts for the Package Delivery service.

Department: Post Office
Branch/Section: Package Delivery Services
Position Title: Lead Mail Specialist
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB4, $37,581–$56,368
Essential Duties of Position: New staff will monitor employees processing commercial carrier packages (e.g. FedEx, UPS, DHL, etc.) and ensure that proper screening procedures are followed at all times.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are currently being performed by a contractor. The current service levels provided by the contractor are inadequate and result in late deliveries, incorrect routings, and damaged, lost, and unprocessed items.

The new position is requested to enable the Senate Post Office to bring the processing of packages in house. We expect that this will result in significantly better service. The projected salary cost for one Lead Mail Specialist is $36,000 in fiscal year 2007. Cost to the Senate is approximately $50,000 per year, but will result in savings in excess of $200,000 annually.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, the Senate will continue to experience inadequate service levels, and it will not realize the $200,000 savings that we anticipate. The Senate will have to continue contractor support at approximately $470,000 per year. Costs and savings represent total amounts for the Package Delivery service.

Department: Technology Development
Branch/Section: Systems Development—Enterprise Database Support
Position Title: Senior Information Technology Specialist
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: Pay Band 10, $67,675–$101,508
Essential Duties of Position: New staff will administer Windows System and SQL Server Databases.

Are these duties being performed now? If yes, state by whom and why a new position is requested. Duties are currently being performed by one individual in the Enterprise Database Support group. Significant growth in demand for services and advanced technology implementations of this software have created a critical need for additional resources. The same person who performs these duties also ensures continuous systems availability and performs disaster recovery duties. Having only one person with the expertise and daily involvement with the underlying architecture that supports critical Senate services, such as Senate.gov and the ADMA Blackberry backend database, puts the Senate in a precarious position.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, services will continue to be supported, but not as rapidly as the demand warrants. In addition, Senate services may be severely affected by lack of support if our single existing resource is unavailable.

Department: Technology Development
Branch/Section: Enterprise IT Operations—Enterprise Ops
Position Title: Information Technology Operations Specialist
No. of Positions Requested: 3
Pay Band Pay Band & Salary Range: Salary Range: PB6, $46,395–$69,593
Essential Duties of Position: New staff will manage current production systems that are running at the ACF, such as the enterprise SILO tape backup system, systems failed over to the ACF, and various facility related tasks. Duties also include

providing first response to problems during emergencies, backing up the primary facility support duties for the 24 X 7 Blackberry server, and monitoring and administering the Senate's email system and payroll applications.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are being performed by one thinly staffed shift at the ACF five days per week. Some of the duties are being conducted remotely and some by rotating Primary Computing Facility staff from Postal Square. However, significant gaps exist.

With the continued evolution of the systems running from the ACF there is a need to fully support the ACF with multiple shifts. The ACF is now running key services, such as all enterprise backups of critical applications. Transitioning into a multi-shift operation, similar to the operation of the primary computing facility, is needed to support the continued expansion of workload, and to maintain a continuously efficient operation.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, we run the risk of delaying resolution of system problems that arise outside of normal business hours. We also run the risk of delaying response time in the case of an emergency, and directly affecting business continuity.

Department: Technology Development
Branch/Section: IT Security
Position Title: Senior Information Security Specialist
No. of Positions Requested: 2
Pay Band Pay Band & Salary Range: Salary Range: PB10, $67,675–$101,508

Essential Duties of Position: The new staff would collect and analyze data in the Security Operations Center and resolve or eliminate anomalies/security events; assist Member offices on network security issues; monitor SAA enterprise systems; improve external contact in order to stay abreast of rapidly changing computer network attack profiles; and make full use of new enterprise-wide security technologies deployed this year that allow us to perform activities that were formerly performed by contractors. Staff also will provide support and analysis associated with the new capabilities in Symantec client software (firewall, anti-spyware/adware, etc.).

Are these duties being performed now? If yes, state by whom and why a new position is requested. IT Security currently has staff that performs most of the essential duties described, but the staff will not be able to meet the additional demands it anticipates. Due to the number of new security initiatives that are the result of increasing threats, the overall workload of the staff continues to grow. Security issues and systems are increasingly complex, requiring more time and resources for satisfactory resolution and adequate backup.

Department: IT Support Services
Branch/Section: Office Equipment Services—Order Services
Position Title: Senior Procurement & Supplies Specialist
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB 5, $41,756–$62,635

Essential Duties of Position: New staff will handle wireless device issues including provisioning telecommunications/wireless services, providing advanced troubleshooting for major vendors and systems, using a comprehensive understanding of multiple product lines and service offerings to provide rate and service plan analysis for customers, conducting complete hot swaps, modifying accounts, and providing billing support.

Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are currently being performed by SAA staff. Senate wireless equipment needs have increased dramatically over the past two years and the trend is continuing. Although staffing levels have remained the same, Senate staff expects wireless equipment to be available immediately. Current resources make it extremely difficult to stay abreast of the ordering demands and the programming and tracking of wireless equipment.

If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, the SAA will not be able to fully meet the Senate's service level expectations. We think that the least costly approach is through hiring an additional staff member as opposed to contracting for this support. We do not believe that reduced service levels are acceptable to the Senate.

The pay salary range will be $41,756 to $62,635. When a contractor was approached about the possibility of providing one person to do only some of the duties discussed above, their cost estimate was $150,000 to $175,000 per year.

Department: IT Support Services

Branch/Section: Desktop/LAN Support—CMS Coordination
Position Title: Principal Information Technology Specialist
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB 11 Pay Range: $73,086–$109,628
Essential Duties of Position: This position will evaluate and guide vendor development efforts in the areas of Web development, electronic messaging, and electronic document management; lead projects, especially those related to constituent e-mail processing; be a technical resource for other CMS Coordination staff; and perform liaison work with other SAA departments.
Are these duties being performed now? If yes, state by whom and why a new position is requested. These tasks are currently being performed by contract staff that has been engaged to provide these capabilities. The new position is being requested in order to continue to have access to this level of experience and expertise.
If this request is not approved, what will be the service or cost impact on the Senate: If this request is not approved, the CMS Coordination group will continue to incur the higher cost of contracting out for this position. The CMS Coordination group supports the existing model for correspondence management, but in order to adapt to the changes that will result from the introduction of new electronic communications capabilities in Senate offices and an anticipated increase in the number of CSS vendors, we need additional staff. The new staff must have in-depth expertise in Web form development, electronic messaging, and electronic document management. Because CSS vendors will soon operate within a different, more stringent contract structure, existing staff's time will be fully committed to ensuring contract compliance. In addition, existing staff will oversee the e-Newsletter vendor contracts. These activities will require all of the existing CMS Coordination resources. The pay range for the new position is $73,086–$109,628. The position is currently contracted out at $205,577 per year.

Department: Process Management & Innovation
Branch/Section: IT Research & Deployment—Technology Assessment
Position Title: Principal Information Technology Specialist
No. of Positions Requested: 2
Pay Band Pay Band & Salary Range: Salary Range: PB11, $73,086–$109,628
Essential Duties of Position: The new positions will be responsible for all aspects of the Active Directory & Messaging Architect (ADMA) design. All design changes, security updates, migration processes, software updates, product upgrades, and add-in products, whether part of the core system or peripherally integrated, must go through a rigorous design, testing, pilot, and implementation process.
Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are currently being performed by on-site contractor staff at an annual cost of approximately $600,000. Replacing these contractors with staff will create a significant dollar savings for the Senate and will allow for more flexibility in work assignments. These duties will be ongoing for many years to come and the recurring annual dollar savings will be over $300,000.
An additional benefit is continuity of institutional knowledge. On-site contractors are subject to periodic personnel changes. When contractors leave, all of the Senate-specific technical and business institutional knowledge leaves with them and there is a significant learning curve and negative service impact associated with the replacement of staff. This situation will be avoided by using permanent Senate staff.
If this request is not approved, what will be the service or cost impact on the Senate: The current cost of on-site contractors performing these duties is approximately $600,000 per year. The cost of these FTEs will easily be less than $300,000 resulting in at least a $300,000 savings.

Department: Staff Offices
Branch/Section: Human Resources
Position Title: Human Resources Technician
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB5, $41,756–$62,635
Essential Duties of Position: The new staff will be responsible for scanning personnel records into the personnel records management system, which will be implemented during fiscal year 2006. This staff member also will provide support to the HR Administrators in carrying out their labor relations responsibilities with respect to the unions representing Capitol Facilities and Recording Studio employees.
Are these duties being performed now? If yes, state by whom and why a new position is requested. These duties are not being performed now. A vendor has been chosen for the records management system and we are working on an implementation plan. Negotiations on Collective Bargaining Agreements are currently underway

with the two unions representing the Capitol Facilities and Recording Studio employees.

If this request is not approved, what will be the service or cost impact on the Senate: It would be impossible for the current HR Technician to assume this new workload. If this position is not approved, HR Administrators will be required to assume these lower-level responsibilities and the level of service that will be provided to clients will be adversely affected. It will take longer to classify positions, it will take longer to fill positions, training activities will be provided less frequently, availability to consult with clients will be affected, etc. In order to accomplish essential functions and to meet critical deadlines, we might be required to pay overtime to non-exempt staff and to provide compensatory time to other staff.

Department: Staff Offices
Branch/Section: Employee Assistance Program
Position Title: EAP Counselor
No. of Positions Requested: 1
Pay Band Pay Band & Salary Range: Salary Range: PB9, $62,260–$93,388
Essential Duties of Position: The new staff will provide comprehensive mental health assessment, referral, and follow-up services in the workplace and provide counseling and short-term therapy for staff and family members on a wide range of sensitive and complex matters. Staff will also counsel supervisors in the recognition and referral of employees with problems and promote good mental health practices through articles, training programs, publications, Web page, etc.

Are these duties being performed now? If yes, state by whom and why a new position is requested. The present EAP (staff of two) is trying to cover these duties.

If this request is not approved, what will be the service or cost impact on the Senate: With a reduction in proactive outreach to troubled employees there will be higher turnover, an impact on moral, and, in some cases, an impact on employee productivity.

STAFFING INCREASE

Senator ALLARD. I want to follow up on that with some other questions. If we are not able to provide the increases that you asked for, would we get a decrease in services?

Mr. PICKLE. I think it's a combination of the two. And the best analogy I can use—in 1997, I believe it was, or 1998, there was a conscious effort on the part of the Sergeant at Arms to reduce FTEs. There was about a 50 FTE reduction that year. By all accounts, from people who are still here and the people we deal with, after the reduction, the services that we provided did not meet expectations. September 11 exacerbated the problem. It created additional needs. It created a need for additional staff and additional technologies. We will keep plugging away and do the very best job, and that will be our goal, but I think there will be some diminishing of services.

Senator ALLARD. Well, we're looking at the chart here on your FTE budget for the Sergeant at Arms, and I see where we had a decrease in personnel from 2000 to 2001.

Mr. PICKLE. Yes.

Senator ALLARD. And then from there, we have a regular steep climb——

Mr. PICKLE. Yes.

Senator ALLARD [continuing]. In personnel. And so, I would like to get back to the 18 that you requested last year.

Mr. PICKLE. Yes.

Senator ALLARD. Can you tell us the status of those new hires?

Mr. PICKLE. Out of the 18 positions you gave us last year, 12 have been filled. The other six have been announced and posted. Two of those six had job offers made to them, but they withdrew their acceptance and did not come onboard. So, we still have six of

those which have been posted but not filled. Our dilemma is that some of these jobs are of such significance and importance to us that we don't want—especially in the technology area—to take people just to fill the slot. We are looking for the very best. So we may penalize ourselves somewhat by not hiring right away, but I think that's the best course of action.

Senator ALLARD. Okay. We want to look at that closely.

Mr. PICKLE. I understand.

Senator ALLARD. You have four there that haven't been filled for various reasons, and I assume that that request you made is in addition to the 18 that we provided for last year.

Mr. PICKLE. Yes, the 34 are in addition. Yes, sir.

CUSTODIAL WORKERS FOR THE SENATE CAPITOL VISITOR CENTER EXPANSION SPACE

Senator ALLARD. Now, there are 17 personnel you have included that are supposed to be for cleaning and maintaining the expansion space in the Capitol Visitor Center. The Architect of the Capitol, if you have noticed his budget, has included $1.5 million for a custodial contract for the entire Capitol Visitor Center. So, it looks from our point of view as though there has been a double accounting here. Doesn't it make sense to let AOC contract out for this requirement?

Mr. PICKLE. You know, I think in a perfect world, it makes sense that we have one organization do everything. It just makes sense. The only reason I believe we have a Capitol facilities division that does maintenance, is that the Senate was a little unhappy with some of the contract work done years ago. It was a decision made by whomever was in charge at that time that the maintenance functions be put under the Senate, and that's why we have a Capitol facilities division that does maintenance and cleaning on the Senate side of the Capitol. I don't have any strong feelings on it except to say that it's usually better when you have people who are working around the Senate and sensitive information and documents, its better to have people who work for you, who you have some control over. You have a much more stable workforce. Now, whether this is an in-house workforce under the Architect or under us, I really don't care. I just think that we need to get the best people we can.

Senator ALLARD. It might be that we have to try a contractor. If it doesn't work out, we could always go back——

Mr. PICKLE. Sure.

Senator ALLARD [continuing]. The other route.

Mr. PICKLE. Sure.

Senator ALLARD. But it's something we'll look at, at least.

Mr. PICKLE. Mr. Chairman, you know, I think what—the way we envisioned that—and it's pretty simplistic. We currently maintain the Senate wing of the Capitol. What we are going to have in the CVC is an expansion of the Senate wing. So, we were just going to enlarge our workforce to cover that. But again, whatever makes economic sense and is more efficient, we are all for.

SECURITY AND EMERGENCY PREPAREDNESS

Senator ALLARD. The budget for the security and emergency preparedness has grown from $4 million in 2002 to $8.5 million in fiscal year 2006. And there's another large increase we're looking at for this year——

Mr. PICKLE. Yes.

Senator ALLARD [continuing]. A total of $18 million. Why are we looking at an increase of this magnitude, and can we begin to expect the budget to begin to level out instead of seeing these large double-digit increases?

Mr. PICKLE. It is a large increase at first blush. But I think that much of what we have in the area of security has been funded since 2002 in part by the Emergency Response Fund (ERF) as well as reprogramming that this subcommittee has allowed us to do and provided for us. The ERF funds have decreased. We now have items that need to be funded on an annual basis, and the supplemental is no longer available. These items have a life cycle to them. There are other items which are services and outsourced services that we provide here on the Hill—and these are all new services since 2001–2002 for the most part and to over 450 State offices. So, the job has increased enormously. I would like to say there is a moderation, but in all honesty, I don't see how it's going to moderate much. I think once we have a base, we will try to live within that base, and obviously, we will live within what we are given. But we simply meet the demands of the Senate, and what we are——

Senator ALLARD. Have you looked at what funding we have picked up in ongoing programs and emergency funding and—how many years out we may be looking at before we can stabilize our base, assuming that we don't have any more emergency appropriations?

Mr. PICKLE. I have not personally, but we will get an answer for you on that.

Senator ALLARD. I think that would be helpful to the committee to understand what is happening in that area.

Mr. PICKLE. We'll do it.

TELEPHONE SYSTEM REPLACEMENT

Senator ALLARD. Can you give me an update on the status of the telephone system replacement and what's happening there?

Mr. PICKLE. Last year, this subcommittee provided about $10.5 million for the telecommunications modernization plan. This year, we are asking for another $10.5 million. We are near the completion of our RFP, or request for proposal, that will go out to the different vendors in the communications industry. We are hoping to start right away on making some of the changes here, modernization changes. As you know, it's a lot of money. I think you asked me the question last year, will we spend all $10 million in the one fiscal year. My answer was probably not. And we were absolutely right; we haven't spent it all. Do we need to do it? We do. The current telephone system is 20 years old. So, and in the past 20 years, technology has changed tremendously. The industry is going toward a converged technology where you have a convergence of dig-

ital, video, and voice data. We need to do things such as replace switches, replace handsets—all the handsets—we need to make sure that our voice mail works, that all of the different wireless devices we have, whether they are Blackberry or cell phones or pagers, can be integrated. It's a big job, and it will take some time.

Senator ALLARD. Yes, and there are some changing technologies. Voice over Internet Protocol——

Mr. PICKLE. Yes.

Senator ALLARD [continuing]. Has the potential to save a lot of money, but that technology has to be worked out. There are some issues as to the domain that have to be worked out before we get those kinds of things, but it means things are getting more competitive. And hopefully, we can hold down costs.

Mr. PICKLE. Well, they certainly are, and we fully believe that the bids that we get will include Voice over Internet protocols. We know that the phone industry, the telecommunications industry, believes that's where we are going with telephony.

Senator ALLARD. Yes. Do you still expect the cost to total close to $20 million when we're all done?

Mr. PICKLE. To my understanding, approximately $20 million.

Senator ALLARD. Okay, and I am assuming that you are expecting an improvement in service to the end users?

Mr. PICKLE. Absolutely, yes—my CIO is going to guarantee it.

MAIL PROCESSING FACILITY

Senator ALLARD. I'm glad they're here to hear that. Okay, let's talk a little bit about the mail processing facility. What's the status of this facility, and what are your total cost projections there?

Mr. PICKLE. The mail facility—I believe our total cost is $14.9 million, some of which has come from the supplemental. We hope to have the mail facility completed in the near future. We're going to take one of our remote mail facilities, and move it to another facility here, a little west and north of us. And at the mail facility, we are going to be able to do the mail processing and screening, as well as the package delivery and screening. So, it will be one consolidated location. And we're within budget, and we're meeting the milestones there.

VENDOR DELIVERIES

Senator ALLARD. Okay. Now, following up on this, the one part of it is the process, and the other one is the delivery here to the Capitol——

Mr. PICKLE. Yes.

Senator ALLARD [continuing]. And you're planning on implementing, on a pilot basis, a new method of transferring deliveries (other than mail) to the Capitol. Could you tell me a little bit about the status of that pilot project?

Mr. PICKLE. Yes. Currently the Capitol Police have a remote site. They had a permanent site, but they have been forced to move for various reasons, and they are at an interim site now. Essentially what takes place there is many of the goods which are destined for the Capitol are delivered there, they're examined or screened, and then they are transported here to the Capitol. I don't want to get into much more than that if you don't mind. We are revalidating

our requirements. We are working closely with the Architect and the House and also having discussions with the Library of Congress. What we are proposing to do is create a new transfer model. And in very simple terms, what it will do is it will allow us to receive goods and perishables and other items at a remote site. These items will be offloaded from vendors trucks. They will be screened and examined, and declared safe. They will be put on Government trucks and delivered here to the Capitol. There are several advantages to this. First of all, we reduce dramatically the number of trucks you see here on the campus, and that's a big security issue. We also have items delivered by trusted employees, Federal employees who have been vetted and had background checks conducted on them. And third, it should save us in damaged goods, late goods and perishables, and lost goods.

Senator ALLARD. Ultimately, that could lead to us having our own truck fleet here on the Capitol.

Mr. PICKLE. It would—yes, but at a very small level. I would compare it to something you see at other agencies such as the State Department, the White House, or the CIA, very similar. It's a very cost-effective process, I understand, from looking at these programs.

STRATEGIC PLANNING

Senator ALLARD. Now, in your opening comments, you talked about trying to meet our interests as far as setting down goals and objectives and meeting those. Is this what you refer to as your strategic plan?

Mr. PICKLE. Strategic plan, yes it is.

Senator ALLARD. When will you have that available?

Mr. PICKLE. We should have that—I'm going to look over my shoulder—in a month. I got the right answer, yes.

Senator ALLARD. Okay. Well, we'll look forward to having it in a month.

Mr. PICKLE. Okay, great. Thank you.

Senator ALLARD. Well, we do look forward to seeing what you have put together there.

Mr. PICKLE. Thank you.

Senator ALLARD. I don't believe we have any more questions. I want to thank you for your service.

Mr. PICKLE. Thank you very much.

Senator ALLARD. I believe you are going to be here for the next panel as well.

Mr. PICKLE. Yes, sir, the next couple, I think.

Senator ALLARD. So, we're not going to let you off too easy here——

Mr. PICKLE. Okay.

Senator ALLARD [continuing]. This morning.

Mr. PICKLE. Thank you, sir.

U.S. CAPITOL POLICE BOARD

STATEMENT OF HON. WILSON LIVINGOOD, CHAIRMAN, CAPITOL POLICE BOARD AND CAPITOL GUIDE SERVICE

ACCOMPANIED BY:

HON. WILLIAM H. PICKLE, SERGEANT AT ARMS AND DOORKEEPER
HON. ALAN HANTMAN, ARCHITECT OF THE CAPITOL, FAIA
CHRIS McGAFFIN, ACTING CHIEF OF POLICE

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. So now we'll move to the next panel. We have before us now the Capitol Police Board. I want to thank all of you for your service, and we're expecting testimony from Mr. Livingood and Acting Chief McGaffin. Mr. Livingood.

Mr. LIVINGOOD. Yes, sir.

Senator ALLARD. You'll go first, and then we'll call on Acting Chief McGaffin.

STATEMENT OF WILSON LIVINGOOD

Mr. LIVINGOOD. Good morning, Mr. Chairman.

I am honored to appear before you today to discuss the U.S. Capitol Police fiscal year 2007 budget request. With me today are the members of the Capitol Police Board—Bill Pickle, Alan Hantman, and also with us today is the Acting Chief of Police, Chris McGaffin.

Before I begin, Mr. Chairman, I would like to thank the subcommittee for their ongoing support of the men and women of the U.S. Capitol Police. Your commitment to their continued and diligent efforts to develop better security operations, response forces, and law enforcement capabilities has significantly contributed to providing a safe and secure environment for Members of Congress, staff, constituents, and the general public.

The Capitol Police Board appreciates the opportunity to present and discuss the issues and challenges behind the Capitol Police fiscal year 2007 budget request. The security challenge confronting the U.S. Capitol Police today remains constant and complex. However, it is a challenge the department successfully manages each day of the year.

The Capitol Police Board is acutely aware of the need for fiscal restraint. To address the absolute requirement for fiscal restraint, we work on a regular basis with the administrative and financial team of the Capitol Police in the exercise of appropriate financial management in all areas and divisions of the department. In addition, we have been judicious in the new initiatives we included in our request. The goal is methodical and consistent fiscal management.

In keeping with prior conference committee directives, good management of our core process, and maximum utilization of our work-

force, the Capitol Police has made a concerted effort to contract out activities that would benefit from outsourcing. Our fiscal year 2007 budget submission includes proposals for continuing funding for these outsourced activities as well as proposals for new outsourced activities. This will allow the U.S. Capitol Police to more fully concentrate on its core security mission.

It is that core mission for which I want to offer my thanks to the men and women of the U.S. Capitol Police. They coordinate the people, organizations, and resources necessary to respond to a variety of threats we face today. It is an extremely difficult job to manage a legislative complex completely open to the public while at the same time ensuring the safety of the Congress, staff, and visitors against increased threats. It is a job the U.S. Capitol Police perform with skill and excellence everyday.

The men and women of the Capitol Police have the Board's greatest respect. We speak to them every day, and we listen to them. Each one considers it an honor to protect, serve, and welcome our citizens and people from around the world to our Nation's Capital who come to participate in the legislative process, to witness democracy in action, and partake in the history of this unique place.

ACCOLADE TO DEPARTING CHIEF GAINER

Today is Chief Gainer's final day with the U.S. Capitol Police. I know I speak for all the members of the Capitol Police Board when I extend my deepest thanks to him for his services to the Capitol Police department and to the Congress. Chief Gainer is first and always a cop's cop. Through his leadership, the capabilities of the department have been greatly enhanced. Every person who works here or visits here is a beneficiary of his hard work, dedication, and professionalism. We wish him well and the very best as he begins the next phase in his career.

Thank you, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF WILSON LIVINGOOD

Mr. Chairman and Members of the Committee, I am honored to appear before you today to discuss the U.S. Capitol Police fiscal year 2007 budget request. With me today are the members of the Capitol Police Board, William Pickle, Senate Sergeant at Arms, and Alan Hantman, Architect of the Capitol. Christopher McGaffin, the Acting Chief of Police is also with us.

Before I begin Mr. Chairman, I would like to thank the committee for their ongoing support of the men and women of the U.S. Capitol Police. Your commitment to their continued and diligent efforts to develop better security operations, response forces and law enforcement capabilities, has significantly contributed to providing a safe and secure environment for Members of Congress, staff, and the general public.

The Capitol Police Board appreciates this opportunity to present and discuss the issues and challenges behind the U.S. Capitol Police fiscal year 2007 budget request. The security challenge confronting the U.S. Capitol Police today remains constant and complex. However, it is a challenge that the Department successfully manages each day of the year.

The Capitol Police Board is acutely aware of the need for fiscal restraint. To address the absolute requirement for fiscal restraint, we work on a regular basis with the administrative and financial team of the Capitol Police in the exercise of appropriate financial management in all areas and divisions of the Department. In addition, we have been judicious in the new initiatives we included in our request. The goal is methodical and consistent fiscal management.

In keeping with prior conference Committee directives, good management of our core process and maximum utilization of our workforce, the U.S. Capitol Police has

made a concerted effort to contract out activities that would benefit from outsourcing. Our fiscal year 2007 budget submission includes proposals for continuing funding for these outsourced activities as well as proposals for new outsourced activities. This will allow the U.S. Capitol Police to more fully concentrate on its core security mission.

It is that core mission for which I want to offer my thanks to the men and women of the U.S. Capitol Police. They coordinate the people, organizations, and resources necessary to respond to the variety of threats we face today. It is an extremely difficult job to maintain a legislative complex completely open to the public, while at the same time ensuring the safety of the Congress, staff, and visitors against increased dangers. It is a job performed with skill.

The men and women of the Capitol Police have my greatest respect. I speak to them every day, and I listen to them. Each one considers it an honor to protect, serve, and welcome our citizens and people from around the world to our Nation's Capitol—who come to participate in the legislative processes, to witness democracy in action, and partake in the history of this unique place.

Mr. Chairman, on behalf of the Capitol Police Board, I would like to thank you for this opportunity to appear before you today, and for your consideration of this budget request.

I would now like to introduce Acting Chief McGaffin who will present the Capitol Police's fiscal year 2007 Budget in more detail.

Senator ALLARD. Well, thank you for your statement. And now, we'll go to Acting Chief McGaffin.

STATEMENT OF CHRISTOPHER MC GAFFIN

Acting Chief MCGAFFIN. Mr. Chairman, I'd like to tell you also that it's an honor to appear before this subcommittee today with the Capitol Police Board and to represent the United States Capitol Police in this hearing. We are here to present our fiscal year budget for 2007, but I am also here to thank you, the Senate and this subcommittee for all the support that it's given us over the years. I'll finish 34 years of service to the United States Capitol Police and to the Congress this July, and I have watched this police department grow and professionalize over these several decades significantly because of the support of Members of Congress and the United States Senate like yourself, sir. And if I can take this moment to thank you personally for all that you have done for this police department, the men and women of this police department—those who are still here serving with me and those who have retired over the last several decades, I'd like to do that as well. I have submitted remarks and my testimony for the record, and I am very much looking forward to answering questions you may pose today.

Senator ALLARD. We'll make those remarks part of the record.

[The statement follows:]

PREPARED STATEMENT OF CHRISTOPHER MCGAFFIN

Mr. Chairman and Members of the Committee, thank you for the opportunity to appear before the Appropriations Committee today to discuss the United States Capitol Police fiscal year 2007 budget request. The United States Capitol Police maintains the honor of protecting the Congress, its legislative process, as well as staff and visitors from harm. We protect and secure Congress so it can fulfill its constitutional responsibilities in a safe and open environment. As the foremost symbol of American representative democracy, Congressional operations are a highly visible target for individuals and organizations intent on causing harm to the United States and disrupting the legislative processes of our government. It is the duty of the men and women of the Capitol Police to do all in our power to prevent these acts and, if such acts, should occur, to respond appropriately to ensure the safety and well being of our stakeholders.

The employees of the Unites States Capitol Police are dedicated to their work and thus we as a team have had significant accomplishments in the past year, including:

—Greeted and screened over 8.7 million staff and visitors throughout the Capitol Complex and screened over 59,500 people for three holiday events; conducted over 17,000 canine explosive detection sweeps; coordinated over 3,300 special events and dignitary visits; screened over 85,000 vehicles and 72,000 individuals at the Capitol Visitors Center as work proceeded uninterrupted; screened over 574,000 vehicles by the TIGER Team; conducted 136 physical security assessments; and performed 521 electronic countermeasures assessments as well as other protective functions.

—Gained re-accreditation by the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA). This repeated, independent, outside validation of our preparation and compliance with national standards clearly affirms our Strategic Plan, strength of policies, training, operational readiness and overall professionalism and indicates that the USCP has achieved a level of excellence and has internalized positive change.

—Implemented a new financial management system in 12 months, on time and within budget, for the first time in the history of the Department.

—Developed a strategy and identified requirements and business processes for the implementation of the Asset Management System which will bring greater accountability and control over assets within the Department, as well as, launched the first steps to align the Department's internal controls with government-wide standards.

In the ever-changing threat environment, the U.S. Capitol Police accomplishes its mission through varied, and complementary functions to provide round the clock protection to Congress. In an effort to maintain the flexibility of Department operations and maintain operational readiness, the USCP over the past several years, with the support of Congress, has made significant investments in human capital and Department infrastructure. This has been accomplished by augmenting our intelligence capabilities and coordination among the intelligence community, hardening our physical security and counter surveillance capabilities, automating antiquated security and administrative support systems, enhancing our detection and response capabilities for explosive devices as well as chemical and biological agents, and augmenting our incident command and emergency response and notification systems. Each of these and their related activities has come with high resource requirements for maintenance in order to ensure that our systems are operational 24/7. The majority of these infrastructure investments were funded with emergency, supplemental or reprogrammed prior year funding and now require annual, ongoing operational maintenance and life cycle replacement.

Our fiscal year 2007 budget request of $295.1 million represents an increase of $48.1 million or 19.5 percent over the enacted amount for fiscal year 2006, adjusted for rescissions. This includes an increase of $31.4 million for personnel costs and $16.7 million for non-personnel costs. However, when the $10 million from the no-year reprogramming of funds, approved by your Committee, was used to support fiscal year 2006 operational requirements, is taken into consideration the requested increase is $38.1 million or 14.8 percent.

The Congress has made the commitment through resources and policy support to create a formidable Police Department with diverse capabilities designed to deter or respond to any threat to the Capitol Complex. Over the last 5 years, the Department has grown in human capital, security infrastructure, command and control and, security and law enforcement capability. The Department has a tremendous base of capabilities, which requires substantial resources to maintain. The intent of this budget request is to address targeted manpower needs and the annual sustainment of the Department's capabilities, which have been sourced through a variety of means. From a manpower perspective, the Department is continually reviewing its operational concept to determine the most effective manner in which to conduct operations. The intent of this effort is to be as effective and efficient as possible.

New initiatives in our fiscal year 2007 budget request include additional personnel resources for both sworn and civilian; outsourcing background and polygraph functions in Human Resources, Information Systems maintenance and replacement systems, operating costs for the Office of Inspector General as well as the new Office of Professional Responsibility; new costs for activities acquired from other agencies such as maintenance of the radio communications systems transferred from the Senate and certain security equipment maintenance from the Department of Defense.

The following represents a more detailed look at the USCP fiscal year 2007 request.

Personnel.—The fiscal year request for salaries of $246,700,000 supports the current authorized FTE levels, as well as, an additional request of 91 new officer FTEs for critical operational requirements, 10 additional FTEs for Library of Congress (LOC) attrition and seven new civilian support positions. With the new officers, the sworn FTE level is 1,759. The revised civilian FTE level is 421 for a total Department FTE count of 2,180. Included in the personnel budget is a request for overtime. Staffing levels are driven by security needs and augmented by overtime to meet operational requirements. The 494,700 hours requested consist of 449,300 hours for sworn and 45,400 hours for civilians. The $28.1 million request is based on estimated overtime posting and coverage requirements and approximate costs for sworn manpower shortage, late sessions of Congress, Special events, security alerts, arrests and court time and a small amount of civilian overtime requirements.

Non-Personnel.—The fiscal year request for non-personnel items is $48,383,000. The following highlights the majority of the non-personnel request for the USCP.

—*$16,900,000 is for Physical Security*.—This includes contractual support for physical security maintenance and support projects such as comprehensive preventive maintenance to support the maintenance, repair and preventive maintenance of the security systems on the Capitol Complex on a 24/7 basis. Included are security installation support, security network, and specialized security equipment; the camera system, vehicle barriers, and the annunciators; maintenance of security equipment such as current CCTV equipment, Digital Video Recorder, metal detectors and X-ray packages; Life Cycle Replacement of equipment such as Duress Alarms for Members and Committees; Card Access and Intrusion Alarms.

—*$11,232,000 is for Information and Communication*.—This includes maintenance, repair, licensing and support of new and existing systems such as engineering professional services and radio systems contract support, annual contracts supporting Blackberry and Nextel devices and fit out of the radio van. Information Systems modernization Phase III includes systems such as the Asset Management System, Case Management system and Web portal system; Lifecycle replacement for such items as Personal Computers due to be replaced, radio support, Nextels, Verizon phones, purchase and refreshment of Police Radios.

—*$4,318,000 is for Protective Services*.—This will provide appropriate travel related funding for the Dignitary Protection Division (DPD) to ensure the safety and security of the Congressional Leadership and other Congressional Protectees. The funding for the last 3 years has required reprogramming each year to meet costs. Travel increases are related to fuel costs, rental cars and hotel costs. External training is requested for protective operations.

—*$2,916,000 is for Human Resource Management*.—This provides for contractual services for Human Resources Management such as the National Finance Center for payroll administration; AVUE, which is the HR Management system; Time and Attendance System Programming and employee training (Workbrain system) and the outsourcing of 6 sworn staff for the Background check and polygraph function. This will free up the 6 sworn officers to be put back in to the field and will offset the number of new positions required for the CVC. This request also includes $400,000 for tuition reimbursement for USCP employees.

—*$2,731,000 is for Financial Management and Accountability*.—This includes contractual support for the Office of Financial Management including Audit and Review Services, Outsourcing contract support and a cross servicing agreement for the financial management system. This line item also includes funding for agency wide projects such as copier maintenance, vehicle fuel and tort claims.

—*$2,664,000 is for Logistic Support*.—This includes funding for refreshment of uniforms, purchase of new uniforms for new recruits and other officers such as K–9 and CERT officers. Funding is also requested for maintenance and repair of the Police vehicle fleet.

—*$786,000 Hazardous Incident Response*.—This represents replacement of a bomb suit for hazardous devices. Also includes maintenance for such items as radiological and biological detectors and hazardous material equipment, life cycle replacement and purchase of required equipment and supplies for the hazardous material response team to comply with OSHA and other safety standards.

In keeping with prior Conference Committee directives, good management of our core processes and maximum utilization of our workforce, the USCP has made concerted efforts to contract out activities that are conducive to outsourcing. Our fiscal year 2007 budget submission includes our proposals for continuing funding for these outsourced activities as well as proposals for new outsourced activities, allowing the USCP to concentrate on its expertise. The 2007 request includes outsourcing services in the amount of $20.4 million, which includes information technology, physical

security systems and maintenance, administration, background and polygraph services, veterinarian services, security control operators, financial asset management system, accounts payable, and installation of equipment.

The U.S. Capitol is still faced with numerous threats, including a vehicle-borne explosive attack, terrorist-controlled aircraft attack, armed attacks on the Capitol Complex, suicide bombers or positioned explosive attacks, chemical, biological and/or radiological attacks and attacks on Members and staff as well as ordinary crime. To accomplish this mission, the Department will continue to work diligently to enhance its intelligence capabilities and provide a professional 21st Century workforce capable of performing a myriad of security and law enforcement duties, supported by state of the art technology to prevent and detect potential threats and effectively respond to and control incidents. With the help of Congress and the Capitol Police Board, the Department will continue developing professional administrative capabilities based on sound business and best practices, while raising the caliber and capability of its sworn and civilian personnel.

The United States Capitol Police must maintain the ability to be prepared for any situation and the attainment of that goal depends, in part, on having the right people, the right strength and the right numbers, organized into an effective and flexible blend of capabilities and skills. The Department continues to prepare and train officers by holding Department-wide intelligence briefings when significant or critical information is gathered; disseminating intelligence and tactical information in daily roll-calls and conducting field and table-top exercises in efforts to enable our officers to have the tools necessary to do their jobs. Additionally, the Department's officials routinely participate in a wide-range of tabletop exercises with top experts in federal, state and local law enforcement.

As Acting Chief of the Capitol Police, I take great pride in the many years of service this Department has provided to the Congress. Building on that legacy, we at the USCP look forward to continuing to safeguard the Congress, staff, and visitors to the Capitol Complex during these challenging times. In addition, we look forward to working with the Congress and particularly this Committee.

I thank you for the opportunity to appear here today and am ready to address any questions you may have.

ACCOLADE FOR U.S. CAPITOL POLICE DEPARTMENT

Senator ALLARD. Did you give your full statement, Mr. Livingood?

Mr. LIVINGOOD. It's been submitted for the record, sir.

Senator ALLARD. I would just like to say like so many Members, I visit the Capitol at all hours. It might be in the middle of the night or 6:30 in the morning. But I have always felt like security was working well and always felt like I was treated in a courteous and helpful manner, and we appreciate that. I think on behalf of all of the Members, I would just like to thank you.

Acting Chief MCGAFFIN Thank you, sir.

EXPLANATION OF FISCAL YEAR 2007 INCREASES

Senator ALLARD. Now, the Capitol Police Board is requesting close to an increase of 20 percent over the current year. If you look at the reprogramming of funds last year, it's closer to 15 percent. Could you explain why the board believes we need to have an increase of this magnitude?

Acting Chief MCGAFFIN. Thank you, sir. As you noted, approximately $10 million of our request that's being expended in this fiscal year in fact came from no year or supplemental funding. So, it does reduce, in one measurement, the overall request, as you pointed out, and I thank you for recognizing that. I would say that there are two major drivers for the increase. Under the FTE increase, as you noted earlier, we're asking for 101 more FTEs in our sworn ranks, and we're asking for 7 additional FTEs in our civilian administrative ranks. These FTE increases on the sworn side are

principally required in terms of supporting the Capitol Visitor Center, and that's what we see as a mission expansion for us in this coming fiscal year. The subcommittee has provided funding in fiscal year 2006 for 45 positions to help us provide the adequate security for the CVC. We are also moving a number of security posts from Capitol division assignments into the CVC, which are no longer going to be necessary once the CVC is open. But we still have a shortfall of approximately 63 FTEs, which we're asking for in the fiscal year 2007 budget. In addition to that, we are asking for an increase of approximately 11 FTEs for our dignitary protection division, and these are the men and women who are assigned to protect the congressional leaders in the Senate and in the House. In the past year, they have been operating at a staffing level of about 82 percent, and that division alone has the highest per capita cost for overtime than any element within the police department. We have not dropped protection for these leaders at all, but it is being incurred at the expense of additional duty. So, we are asking for an increase there.

LIBRARY OF CONGRESS ATTRITION AND OTHER NEW POSITION REQUESTS

The Library of Congress attrition numbers that we have asked for over the last several years include an FTE increase of 10. And then finally, we are asking for an increase of approximately 17 FTEs to augment our counterterrorism initiatives as they repel and thwart any operational or planning initiatives which may be brought to this complex via the number one threat that we see vehicle-born improvised explosive devices. That group, which is referred to as a Tiger Team, is being managed exclusively out of overtime funds as well. Moving from the salary account, or staying within the salary account, sir, additional duty, the overtime requests have increased as well. And as I pointed out, the number of personnel that we have to apply to all the duties and responsibilities we have in this fiscal year we have to augment with additional duty. And as we schedule ahead, as we look ahead to requirements that are expanding, as well as holding steady into 2007, we see a need to increase our request for additional duty.

NONPERSONNEL INCREASES

Systems maintenance and communication systems are the other area that are driving this budget up. And such areas that insist on this maintenance, such as our financial systems, our information technology systems, and our security systems are requiring some additional funding as well. Now having said that, we are working diligently with your staff to reduce this request for markup, and we have applied, with the help of the Government Accountability Office (GAO) and others, some strategies that we think will successfully reduce this request for fiscal year 2007. And I hope to come back to you, and expect to come back to you through your staff very soon with a lower request in several of the areas that we just identified.

TIGER TEAM AND DIGNITARY PROTECTION DIVISION NEW POSITIONS DISCUSSED

Senator ALLARD. I'd like to now follow up on the 28 new officers you have requested. As I understand it 11 of those FTE are for the dignitary protection detail, and the remaining would be the 17—for your Tiger Team. What is driving the increases in those two areas?

Acting Chief MCGAFFIN. Yes, sir. The dignitary protection division where we have asked for an increase of 11 is being driven principally by the amount of overtime that we have had to work to maintain security for 10 leaders of Congress.

Senator ALLARD. Very good.

Acting Chief MCGAFFIN. Yes, sir, and the 17 that are assigned to the Tiger Team are the counterterrorist group that I have described that are positioned around the Capitol grounds at intersections who conduct random checks of vehicles traversing the grounds. This group is one that we are taking another look at because we have been funding that out of additional duty. And with cooperation with your staff, we are going to see if there is a cost benefit that can be achieved by reducing that 17 on the FTE side of the ledger and bringing some efficiencies where we can find additional duty to offset that as we have been doing up to this point.

REDUCTION IN POLICE OVERTIME EXPLAINED

Senator ALLARD. Thank you. How have you managed your reduction in overtime? I remember in last year's budget we had set some caps on how much overtime you could pay. Are you confident we are not incurring any additional risks as a result of the reduction in overtime funds?

Acting Chief MCGAFFIN. Well, first, we are very grateful for the funding for additional duty and overtime the subcommittee has supported us with, and I can tell you that we are going to stay within our budget this fiscal year. One of the methods that we are employing right now to ensure that we stay within budget now and ideally confined a manner in which to lower our request for additional duty and overtime in the fiscal year 2007 budget request is the result of some great collaboration that we have entered into with the Government Accountability Office. Staff and support from that agency has assisted us in developing what we call a threat matrix. And just to quickly describe that, what we have been able to do with the help of the GAO is to apply criticality factors to every single post that we have, every single job that we perform up here. And those criticality factors are allowing us to identify where our critical needs are versus where our ideally positioned needs are.

So, in other words, in assessing everything that we are doing, we're understanding what are the most important posts that have to be manned each day. Now, one of the byproducts of this review was that we have discovered some efficiencies that we have been able to achieve already where we found there were some posts that were being performed by two elements within the police department, which we were able to fold into one. And that kind of analysis is allowing us to stay within our budget this year, and it's the

same analysis that's going to allow us to—I'm optimistic—successfully reduce our additional duty requests for next year.

Senator ALLARD. Well, I want to compliment you on working with the GAO and helping to set some priorities there. I think that helps the Members to understand where they want to be as far as risk and what level of security they want to have.

Acting Chief MCGAFFIN. Thank you, sir.

DISCUSSION ON COMP TIME BALANCE REDUCTION

Senator ALLARD. On the comp time, what is the status of reducing comp time balances within the department such that no more than 240 hours will be carried over from one year to the next?

Acting Chief MCGAFFIN. We have conducted an audit of all exempt employees of the police department to determine how many have comp time balances in excess of 240 hours. Approximately 62 of the 200 plus exempt employees of the department find themselves in that category. What we have done is to develop and administer an internal control system in which without interrupting any of the management oversight, without interrupting any of the supervisory responsibilities that these 62 members would bring to the day-to-day job. All comp time balances will be reduced to the 240 mark by the end of this year, and there is absolutely no expectation on the part of any of us that we would carry more than 240 hours into the next leave calendar year.

Senator ALLARD. Now, the carryover from one year to the next, is that manageable?

Acting Chief MCGAFFIN. I guarantee we are going to manage this down, yes, sir. And we have found ourselves in this situation for several different reasons, but the most pressing one is all the work that all of us have been performing over these last several years. And as we find opportunities to take time off and to enjoy some of the comp time, we are doing it. But the fact of the matter is that many managers, including myself, will never be able to use all the comp time that we have on the books, and that just goes with the job.

Senator ALLARD. Goes with being a manager.

Acting Chief MCGAFFIN. Yes, sir.

Senator ALLARD. I'm not a clock watcher either, and I understand. But we are going to get this issue resolved by what date do you anticipate, or what time line?

Acting Chief MCGAFFIN. It will be resolved within this leave calendar year. And if I am not mistaken, I believe by January 6, 2007, at the end of the last pay period in this leave calendar year, everyone's balance will be where it needs to be.

LIBRARY OF CONGRESS MERGE PROGRESS

Senator ALLARD. Very good. Now, what is the status in detailing officers from the Capitol Police to the Library of Congress, and has progress been made in the last year in improving the police operation at the library?

Acting Chief MCGAFFIN. Mr. Chairman, we currently have 31 Capitol Police officers assigned to the Library of Congress. That includes an inspector and most recently, two sergeants who have been assigned as part of that complement. As you know, within our

budget request, we request authorization to fill vacancies that occur due to attrition in the Library of Congress, and that's what we are doing again this year. The role that our officers are providing to the Library is to augment their security, and I must say they have. The inspector, Tom Reynolds, has just done a magnificent job making the Library of Congress feel part of the Capitol Police and the Capitol Police feeling part of the Library of Congress. In the area of operations, we have run evacuation drills, we have run training programs for their managers, for their supervisors, such things as motorcycle training and patrol techniques. We have included the Library of Congress police department in our own department's award ceremony, and we are all working together. There are some bumps in the road, not to avoid those or not to think about those, but we are doing well.

SCREENING VEHICLES AT LIBRARY OF CONGRESS

Senator ALLARD. Well, one area that has been called to my attention is the screening of the vehicles going to the Library of Congress, and the information I'm getting is that this is not sufficiently thorough. Have you looked at this, and do you believe this is something that we ought to address?

Acting Chief MCGAFFIN. Yes, sir, we have looked at this, and we are right now examining the feasibility of bringing the Library of Congress delivery system—delivery requirements within our own offsite delivery center. Right now, we process somewhere in the area of about—on average, 80 trucks a day that come through the interim offsite delivery center, and the Library has requested to utilize that center for deliveries to its building complex as well. And we are making some recommendations to the Capitol Police Board, which will be reviewed and considered by that group to work toward ensuring that the security of the Library of Congress is just as great as this office building here.

Senator ALLARD. Do you think you can get something to us in about 30 days or so on the cost estimate of the revised plan?

Acting Chief MCGAFFIN. Yes, sir.

Senator ALLARD. We'd need that for our budget purposes. And so, if we can have the Board act and get back to us within that time period, we would appreciate it.

Acting Chief MCGAFFIN. Yes, sir.

CAPITOL POLICE GENERAL COUNSEL DISCUSSION

Senator ALLARD. In regard to the Capitol Police general counsel: Why do we need additional counsel, and why is the current general counsel on the payroll of the House of Representatives?

Acting Chief MCGAFFIN. There has been a remarkable increase in the work that counsel has had to perform. In the several years that I have been in an executive position, I have seen this work increase dramatically. I personally bring a lot of work to that office. We have assigned counsel to our Office of Professional Responsibility to assist us in the areas of discipline. We have assigned work to our Office of Employment Counsel regarding performance and performance evaluations of our own personnel. The workload simply has increased. Now, we are undertaking a review with the Capitol Police Board to determine where those positions need to be.

Senator ALLARD. Now, is there any other position in the Capitol Police force that's not on the Capitol Police force, but on that of either the House or Senate?

Acting Chief MCGAFFIN. Not that I'm aware of, sir.

Senator ALLARD. The answer's no?

Acting Chief MCGAFFIN. I don't believe there are any other positions, sir.

Senator ALLARD. Okay. I see that Mr. Pickle is indicating that he doesn't believe there is any. So, this is an exception to what we ordinarily have before us.

CHIEF ADMINISTRATIVE OFFICER RESPONSIBILITIES

In 2000, legislation was enacted that created the Chief Administrative Officer for the Capitol Police in order to address long-standing administrative problems in the department. Then in 2002, the CAO issued a plan, as required by law, to carry out the Chief Administrative Officer's responsibilities. Now, while improvements have been made, the U.S. Capitol Police still does not have auditable financial statements or a comprehensive foundation for financial management according to the Government Accountability Office. And now, Mr. Stamilio, what are the most significant areas still to be addressed from the CAO Act, and the biggest challenges you face in meeting those requirements?

[The information follows:]

Since becoming an independent agency in fiscal year 2003, the Capitol Police has made significant strides in creating a solid foundation for financial management and becoming a fully functioning, best practices financial management operation We have, this fiscal year, implemented, on time and within budget, a full scale, predominately paperless, JFMIP compliant financial management system, report all financial transactions to the U.S. Treasury, have identified core competencies for all financial management staff and tied those competencies to individual development plans for all financial management staff. We have also finalized a total of 95 financial management policies and procedures as well as instituted a risk management plan and assessment tool for evaluating internal controls within financial management operations. Additionally, we have received reports on our internal controls from our external auditors, a practice that is highly encouraged but not required.

We also manage travel, purchase and fleet card programs and maintain robust monitoring programs for the travel and purchase card programs to ensure proper use of the cards. In addition, we have implemented a paperless, on-line, just in time process for the ordering of office supplies to reduce costs by eliminating central storage and reducing inventory. We pay travel claims in an average of 4 days and have established and maintain standard contract formats, terms, conditions and clauses and as a practice. We prepare a semi annual statement of disbursements that reports all payment activity for all funds and recently redesigned our budget execution process to, for the first time, manage the budget in the manner in which it was formulated and ties the budget to the strategic planning process. This provides greater transparency to the operations of the Department as well as provides managers with more robust tools with which to manage operations and make decisions.

We anticipate that with the implementation of the asset management system, the completion of a full set of audited financial statements, and the ongoing review of internal controls through implementation of our risk management plan, and the ongoing review and generation of policies and procedures, we will be nearly complete with our transition. While we currently do not produce a full set of federal financial statements, we do produce one of the statements, a Statement of Budgetary Resources, which is audited by an external audit firm and has received an unqualified opinion for all audits completed. We thank the Committee for your support of our initiatives to this point and look forward to reporting that we have reached our goal in the new future.

Acting Chief MCGAFFIN. I'll ask Tony to come forward. Mr. Chairman, I would like to point out, because he may be a little too

modest to do this himself, some of the success that his office has achieved—you're absolutely right. In 2002, the Chief Administrative Officer plan called for a follow-up in 21 areas of responsibility. This included 71 discreet actions that he was responsible for following up on. And of that, only seven remain open as we sit here today. And of those seven, we expect only three to remain open by the end of this fiscal year. I would suspect that Mr. Stamilio would talk to your subcommittee and your staff about some of the success he has had in implementing a financial management system or a new budget system, IT systems. And there's a performance system that we have in our police department now for executives and employees that is long overdue, and he and his staff have put together one of the most dynamic communications and evaluations systems that any law enforcement agency that I'm familiar with has. And these are all part of the plan that originated in 2002, and that has been rolled up into his own business plan and part of our strategic plan. So, there's great news in the work that he has brought to this endeavor.

CHIEF ADMINISTRATIVE OFFICER ACTION PLAN

Senator ALLARD. Well, I am particularly interested in the action plan.

Acting Chief MCGAFFIN. Yes, sir.

Senator ALLARD. Tony.

Mr. STAMILIO. Thank you, Mr. Chairman. I appreciate the opportunity to respond. As Chief McGaffin pointed out, as did you, the legislation that provided for a Chief Administrative Officer and a plan—resulted actually in a plan that was built in 2001 and again revised in 2002. As we reviewed the specific actions required of that plan that was obviously initiated by the department, there are only seven major actions that are left, three of which I don't expect to be accomplished by the end of this fiscal year. Those three include the documenting of our policies and procedures. Now, this is a significant undertaking. If I could just put that piece in context for you because I think it's a significant challenge.

First off, it's not that the department has not documented its policies and procedures because it certainly has and continues to do so. We have more work to do in this area. When we have built procedures to put in place the types of controls that we need to have and now we're in the business of documenting those and incorporating those into our general orders process. I anticipate that that will probably take somewhere between 3 and 6 months beyond the end of the fiscal year to a point that I could come back to you and say I feel like our body of documentation of our policies and procedures is sufficient and supports an operation. So, that's one area that remains and quite frankly, will continue as policy and procedure must continually be updated. But it's one that clearly has our focus. And with the support of GAO, we have got some increased focus in terms of the level of specificity required there. The second two areas that will not be accomplished by the end of this fiscal year include implementing the cost accounting system and complete financial statements.

IMPLEMENTATION OF NEW FINANCIAL MANAGEMENT SYSTEM

In both of those two initiatives, we made a conscious decision to delay work on those and instead pull forward, with obviously significant financial support from the Congress, the implementation of our financial management system. That's a very significant achievement because included in that system are many of the internal controls and the processes that we have been doing manually that are now part of the automated system. I'm proud to say that our Office of Financial Management and Office of Information Systems has put that in place inside a year under budget and that is our system of record and has been through the entire fiscal year. A companion to that system is something that is a work in progress, and that is the asset management system. Again, with the support of Congress, the finances are available. It was impossible from a management perspective to field both of those systems at the same time.

And so, we offset the implementation of one with the other. The requirements of the asset management system are built. The policy and procedures have been drafted, and we are in the implementation stage of the asset management system at this point in time and anticipate that that will be operating probably by the end of this fiscal year at the latest, or at least phase one of that will be operating. With a solid financial management system and a solid asset management system, we will be in a much better posture to be prepared to do clean financial statements. And in fact, that is our goal. And so, the decision to delay was to posture us to be in a position to be able to do that.

SUMMARY OF REMAINING CHIEF ADMINISTRATIVE OFFICER INITIATIVES

Senator ALLARD. So, let me just summarize this. We have 11 left.

Mr. STAMILIO. No sir, we have seven left.

Senator ALLARD. Oh, seven left. And then, you're going to have four of those seven completed, you think, by the end of this fiscal year.

Mr. STAMILIO. Yes, sir. That's correct.

Senator ALLARD. And then, the three remaining that you will have after this year will be documentation, then the cost accounting system, and then the asset management system.

Mr. STAMILIO. Right.

Senator ALLARD. Now, those are really important aspects, probably the meat of the whole thing in those last three.

Mr. STAMILIO. The third being the financial statements, yes, sir.

Senator ALLARD. I see.

Mr. STAMILIO. Now——

Senator ALLARD. The asset management is in the cost accounting area?

Mr. STAMILIO. No, the asset management provides us the capability to value our fixed assets and——

Senator ALLARD. Sure, that's in inventory.

Mr. STAMILIO [continuing]. Prepare a balance sheet that would withstand the scrutiny of an external audit. And so, that is a component that will put us in a position where we can have clean financial statements.

Senator ALLARD. And when do you think you'll have all this in place for there not to be a problem with an external audit?

Mr. STAMILIO. Our target is to have clean financial statements at the end of fiscal year 2008.

Senator ALLARD. Okay. So 2 years down the road is what you're looking at?

Mr. STAMILIO. Yes, sir. At this point.

Senator ALLARD. Yes.

Mr. STAMILIO. And depending on our ability to fully implement and have confidence in the asset management system, we may be able to push that up, but I'm very confident that by the end of fiscal year 2008, we will have clean financial statements.

Senator ALLARD. Well, obviously there needs to be functional systems and they need to be accurate. They are very important systems, particularly from an oversight standpoint.

Mr. STAMILIO. Yes, sir.

[The information follows:]

USCP advances in the Administrative Arena start in the area of Human Capital. First, the Performance Evaluation and Communication System (PECS) was implemented and training for it was completed. This is a competency-based personnel performance management system and is linked to Departmental goals and objectives in the Strategic Plan.

Second, USCP's personnel information system modernization is well underway. Accomplishments include: AVUE Implementation: Phase I accomplished for the Data Accuracy/Integrity Project (Workbrain Organizational. alignment and Reporting), enhanced WorkBrain Reporting for Overtime; employee Self-Service implemented and a Customer Resource Center established.

A third advance toward this Human Capital goal is in the area of training. We shifted focus of Entry-Level and In-Service Training from traditional enforcement to Security Operations and Intelligence Training. Specifically, scenario-based training has been implemented, a security screening certification program has been approved, and recruit officer curriculum review was completed.

We have also gained ground on our Strategic Objective entitled "Leveraging technology to improve productivity." The point of this objective is to provide responsive, high quality, cost-effective information technology services and solutions in a timely manner. Strategic Initiatives that support this objective include developing and maintaining an Enterprise Architecture to align business requirements and information technology investments across USCP, and modernize business systems, including transitioning to a target architecture comprised of interoperable systems and applications, provide browser-enabled access to all USCP applications, utilize Commercial Off-The-Shelf (COTS) technology to implement renovated applications and provide a phased approach to implementing target architecture.

With regard to leveraging technology, the first step is to maintain and keep operational the installed Base of Information Technology (IT) Systems. This initiative encompasses the operation, maintenance and continued development of major systems critical to USCP operations: Computer Aided Dispatch, Time and Attendance, Records/Document Management Network Infrastructure, MAXIMO, Livescan Fingerprinting, Senate PERS, Radio Support Infrastructure, Microsoft Outlook (email), MS Windows 2000 Suite.

We can report that all projects are on track and milestones are being achieved to support this initiative.

A second step (in leveraging technology) is to complete the modernization of Administrative and Law Enforcement Programs." On this front, progress has been particularly strong for supporting Computer Aided Dispatch, Reports Processing and the Momentum Financial Management System (FMS).

USCP has made progress to gain accreditation and certification of major systems in compliance with the Federal Information Security Management Act (FISMA). USCP annually assesses risk, certifies and accredits major systems, once every three years, using a third party vendor, and is audited annually as part of the financial audit—as well as 6 month reviews by the Government Accountability Office (GAO). USCP is in compliance with the Federal Information Security Management Act (FISMA). OIS identifies personnel with significant information system security roles and responsibilities, documents those roles and responsibilities, and provides

appropriate information system security training before authorizing access to the system. During fiscal year 2005, various tools and techniques were used to monitor events on the information systems to detect attacks, and provide identification of unauthorized use of the system. Using a third party, USCP used appropriate vulnerability scanning tools and techniques to scan for vulnerabilities.

A great deal of progress was made regarding Enterprise Architecture (EA). 95 percent of our systems are compliant with EA and this supports our strategic objective: "To provide responsive, high quality, cost-effective information technology services and solutions in a timely manner." We completed (and submitted for GAO review) our EA plan (version 3). In addition, we drafted an EA version 4 with case management and asset management systems included. Finally, the Department aligned the IT Strategic Plan to the USCP Strategic Plan using the ProVision modeling tool.

The Department developed and maintained an electronic document and records management system that is secure and quickly accessible (Hummingbird document management system). In addition, we developed and implemented a training plan for 625 personnel on the ways of Hummingbird, record management policy, and records disposition.

There have been several accomplishments as regards our strategic objective for Financial Management—to provide timely, reliable, and responsible financial management services, and ensure accountability for assets and resources.

First, we have been able to formulate, submit and execute a USCP Budget, consistent with our strategic plan and congressional direction. As far as improving our budget execution, progress included: meeting with Bureaus/Offices throughout fiscal year 2005 to review spending plans; developing list of fiscal year 2005 unfunded items and identified savings sufficient to fund many of these items; and developing and submitting fiscal year 2006 spending plan to committees.

USCP has responsibly managed the Department-wide acquisition processes and procedures in accordance with applicable principles of law and authorities. Specifically we have completed implementation of the purchase card program and initiated a fleet card pilot program.

We have performed all planning and preparatory work necessary for the new financial management system, Momentum, to become operational on October 5, 2005. The Department also trained 95 percent of Momentum users and hired two new systems accountants.

As regards Asset Management—accomplishments included the following: completed requirements definition of asset management project; completed on-site assessment of "as-is" asset management flows; identified definitive set of 629 user requirements; analyzing and evaluating asset management best practices to steer development of USCP's policies and procedures; analyzing business process reengineering for USCP's Property Management Program; analyzing "to-be" asset management flows; analyzing feasibility of a phased-in implementation approach; and updated Enterprise Architecture to reflect Asset Management.

We have made significant progress on implementing programs to assure compliance with environmental, safety/OSHA regulations. For example, we have established Mishap Reporting Procedures and new data collection software for tracking and trending on-the-job injuries. Also we have developed a program to identify, document and correct workplace hazards. Of the more than 500 identified safety deficiencies by the Office of Compliance during the 108th Congress in USCP occupied spaces, 100 percent of USCP action items were abated. Successfully abated over 350 safety deficiencies in USCP occupied spaces. We also successfully established a Safety Awareness Program.

In other logistics areas we have improved warehouse inventory management, updated and revised internal standard operating procedures and improved our preventative maintenance system.

DISCUSSION ON NEW POLICE CHIEF SELECTION STATUS

Senator ALLARD. I would encourage you to keep on it and keep up the work. Now, Mr. Livingood, where are we in finding a new chief for the department, and what time frame do you think we are looking at for a hire there?

Mr. LIVINGOOD. Mr. Chairman, the Capitol Police Board has requested the department to develop a concept for the search for a new Chief of Police. This concept is being developed as we speak to include use of a search firm, the selection criteria, and items

such as that. Upon approval of the concept, a statement of work and deliverables, the process is estimated to be accomplished in approximately 3 to 4 months.

INSPECTOR GENERAL SELECTION STATUS

Senator ALLARD. Very good. Now, what about the inspector general? That's another area where we have a search process in place.

Mr. LIVINGOOD. Yes, sir. The search has been completed by the search firm, and the first interviews by the three inspector generals selected I understand has been completed or is in the process of being completed, and we, the Board, will start interviews, we think, within the next 2 weeks—2 to 3 weeks.

MASTER TRAINING PLAN—CAPITOL POLICE

Senator ALLARD. Now, I'd like to move to training. You talked somewhat in your comments, Chief McGaffin, about training. Do we have a master training plan for our Capitol Police?

Acting Chief MCGAFFIN. We have—the training services bureau, that's the group that is responsible for providing all the training for the police department, has developed a 2-year business plan that includes within it steps toward improving master training plans, schedules, initiatives associated with all the training within the police department.

Senator ALLARD. So, it also includes organizational training policies as well as——

Acting Chief MCGAFFIN. Sir——

Senator ALLARD [continuing]. On-the-street training, so to speak.

Acting Chief MCGAFFIN. It certainly does. It cuts all the way across—sworn civilian, recruit, in-service, and it is undergoing a review now with great emphasis and great energy being placed on improving it and ensuring that it meets every core competency that is being identified within all the positions and jobs we have in the department.

Senator ALLARD. So, what do you see as the greatest challenge in updating this document?

Acting Chief MCGAFFIN. It is a challenge, and we are working toward meeting it.

Senator ALLARD. What part of it is the greatest challenge?

Acting Chief MCGAFFIN. Oh, the greatest challenge? I'm sorry, Mr. Chairman. We have several. One is staffing. You know, to identify core competencies and the training requirements and the different positions we have is a challenge, but a greater one is to ensure that you have the right instructor staff and competencies within that instructor staff to deliver the training. And so, it's a balance. Within limited FTE staffing levels, we have got to pull men and women out of the line to put them into the training services bureau. So, we are looking at some strategies that would achieve efficiencies in those areas as well to include adjunct instructors who would be considered practitioners who would come off the line.

For example, in our driver training program or our firearms program, when we would be running those courses, we would be bringing officers who are, in fact, drivers and who have been certified as instructors in that area to come in and conduct those classes.

We also use our legal staff to come in and to conduct legal updates and constitutional law reviews for us. So, we are looking for efficiencies there as well, but that is a big challenge.

CLOSING REMARKS

Senator ALLARD. I'd like to thank you, Chief McGaffin. This is sort of a last-minute responsibility you have had to incur. It's difficult to show up before this subcommittee, but we just want to thank you for stepping forward, and you have done a great job. Thank you for that. I also want to thank the whole Police Board for your effort.

CAPITOL GUIDE BOARD

STATEMENT OF HON. WILSON LIVINGOOD, CHAIRMAN, CAPITOL POLICE BOARD AND CAPITOL GUIDE SERVICE

ACCOMPANIED BY:

HON. WILLIAM H. PICKLE, SERGEANT AT ARMS
HON. ALAN HANTMAN, ARCHITECT OF THE CAPITOL, FAIA
TOM STEVENS, DIRECTOR OF VISITOR SERVICES

Senator ALLARD. We'll now move on to the Capitol Guide Board. Mr. Livingood, you're the chairman, so you'll be our next panel. We're ready when you are.

Mr. LIVINGOOD. Mr. Chairman, thank you for the opportunity for the Capitol Guide Board to appear before this subcommittee. I am pleased to come before you today to report on the operations of the Capitol Guide Service and the Congressional Special Services Office. With me today are Mr. William Pickle, the Senate Sergeant at Arms, and Mr. Alan Hantman, the Architect of the Capitol, who are members of the Capitol Guide Board, and Mr. Tom Stevens, Director of Visitor Services.

PRIMARY FUNCTION

The primary function of the Capitol Guide Service is to provide an educational, accessible, and enjoyable visit to the United States Capitol for over 1 million visitors each year. The employees of the Capitol Guide Service and the Congressional Special Services Office provide a wide range of tour-related services to Member offices and public. We have had, as I said, over 1 million visitors this year, and that's on public tours, large group of Member's tours, congressional staff-led tours, and adaptive tours for visitors with disabilities.

At the current level, we this year may well reach over 1.5 million visitors to the Capitol before October 2006.

As a quick background and I have submitted my full testimony for the record, but just as a quick background, the Capitol Guide Service has been in existence since 1876, and they initially employed three guides.

And since then, as you know, the Guide Service and the role of the Guide Service has expanded—not only in terms of managing visitors to the Capitol, but in terms of added responsibilities. Following the events of September 11, the Capitol Guide Board called upon the Guide Service to assist the Capitol Police with emergency preparedness. Guide Service management is now equipped with emergency radios, providing a communications bridge to the Guide Service's own radio system. All Guide Service personnel have been trained in evacuation procedures. The Guide Service staff assists the Capitol Police in evacuation of all those tourists on public tours when needed.

In addition to its daily responsibilities, the Guide Service and the CSSO help facilitate visitors through the Capitol during special events, such as the 2005 Presidential Inauguration, the lying in State for President Ronald Reagan and the lying in honor for Rosa Parks.

BUDGET REQUEST

The fiscal year 2007 budget request for the Capitol Guide Service and the Congressional Services Office is $8,489,000. This request includes $4,450,000 for existing operations, which is an increase of $352,000 or 8.6 percent over the fiscal year 2006 budget. Of that amount, 93 percent of this increase includes the COLA and increases in personnel benefits.

The single largest increase in the fiscal year 2007 request includes an additional $4,039,000 to fund 71 additional FTEs and related equipment for operations in the new Capitol Visitor Center. The Guide Service and Congressional Special Services Office are currently funded for 72 employees, so this is in addition to that. The Architect of the Capitol has conducted a thorough study of the number and type of new positions necessary for tour operations in the new Capitol Visitor Center. The Guide Board's request for fiscal year 2007 funding reflects this need. In addition, the funding request includes the tour-related equipment necessary for beginning the transition to operations in the Capitol Visitor Center as soon as possible.

As we begin to transition to the new Capitol Visitor Center, we welcome the opportunity to increase the duties and responsibilities of the Capitol Guide Service to meet the needs of the congressional community and the visiting public.

In closing, the dedicated employees of the Capitol Guide Service and the Congressional Special Services Office do a tremendous, dedicated job in providing the maximum in visitor service to all who come here to the Capitol. Yet, none of this would be possible without the support of this subcommittee. Thank you for your ongoing support, and we'll be happy to answer any questions at this time.

[The statement follows:]

PREPARED STATEMENT OF WILSON LIVINGOOD

Mr. Chairman and Members of the Committee, thank you for this opportunity for the Capitol Guide Board to appear before the Committee. I am pleased to come before you today to report on the operations of the Capitol Guide Service and its Congressional Special Services Office. With me today are Mr. William H. Pickle, the Senate Sergeant at Arms and Mr. Alan Hantman, the Architect of the Capitol, who join me as Members of the Capitol Guide Board. Also with me today is Mr. Tom Stevens, Director of Visitor Service, who has the pleasure of overseeing the day to day operations of the Capitol Guide Service.

The primary function of the Capitol Guide Service is to provide an enjoyable and accessible visit to the United States Capitol for over one million visitors annually. In fiscal year 2005 the Guide Service accommodated approximately 353,000 visitors on Public tours alone. Also, the Guide Service led approximately 96,000 visitors on Member Reserved Group tours, 19,000 on Congressional member tours (early-morning tours) and 7,000 on Dome tours. The Guide Service also trained over 3,000 Congressional staff to give tours and regulated the flow of approximately 680,000 visitors on staff-led tours. Additionally, the Guide Service through its Congressional Special Services Office, provided over 850 hours of sign language interpreting services for Congressional business, accommodated more than 1,300 visitors on adaptive tours for visitors with disabilities and provided elevator escorts for more than 9,000

visitors. If current levels are an indicator, we may reach 1.5 million visitors to the Capitol before this October.

The Capitol Guide Service has been in existence since 1876, employing three guides when it was established for the centennial celebration. The Capitol Guide Board—similar in composition to the Capitol Police Board (House and Senate Sergeants at Arms and Architect of the Capitol)—was established in 1970 to formalize the Guide Service as a professional entity within the Congress and to supervise and direct its operation.[1] The authorizing legislation in 1970 called upon the Guide Service, which employed twenty-four guides at the time, to not only provide educational tours of the Capitol but also to "assist the Capitol Police by providing ushering and informational services, and other services not directly involving law enforcement, in connection with ceremonial occasions in the Capitol or on Capitol Grounds," among other duties.

Since then, the role of the Guide Service has expanded to include additional responsibilities. Following the events of 9/11, we called upon the Guide Service to assist the Capitol Police with emergency preparedness. Guide Service management is now equipped with emergency radios, providing a communications bridge to the Guide Service's own radio system. All Guide Service personnel have been trained in evacuation procedures. It falls to the Guide Service staff to assist the Capitol Police in the evacuation of those on public tours, who for the most part, have never been inside the Capitol Building before.

Today, we are budgeted for 72 Guide Service employees to perform these services. We welcome the opportunity to increase the duties of the Guide Service to meet the needs of the Congressional community as we transition to the Capitol Visitor Center.

For fiscal year 2007, the Guide Service is requesting a total budget of $8,489,000. This request includes $4,450,000 for existing operations which is an increase of $352,000 or 8.6 percent over the fiscal year 2006 budget. Of that amount, $328,000 (93 percent) of this increase over fiscal year 2006 includes the estimated fiscal year 2007 COLA and increases in personnel benefits. This part of the requested increase would enable the Guide Service to maintain the level of service currently being provided to Members of Congress and their guests based on current visitation volume and services provided. Secondly, this request includes $4,039,000 to fund 71 additional FTEs and related equipment to operate in the new Capitol Visitor Center.

The staff of the Capitol Guide Service and its Congressional Special Services office has done a tremendous job in providing the utmost in visitor services to all who come to experience the Capitol. The accomplishments of this office would not be possible without the support of this Committee. We thank you for your support and the opportunity to present this testimony and answer your questions.

CAPITOL VISITOR CENTER OPENING

Senator ALLARD. Well, thank you. I have four questions here I'd just like to cover with you this morning. The Guide Service and you are planning for the opening of the Capitol Visitor Center. Is this going to be a seamless operation as we move forward with the CVC operations?

Mr. LIVINGOOD. Alan, do you want——

Senator ALLARD. Mr. Hantman.

Mr. HANTMAN. Mr. Chairman, good morning.

Senator ALLARD. Good morning.

Mr. HANTMAN. Tom Stevens has been meeting with our transition team, with our operations team regularly for the last couple of years; talking about the role of the Capitol Guide Service with respect to the operations of the visitor center itself. We fully expect that once we get the executive director on board and working together with this team, which needs to be enlarged, both on the executive director side as well as on the Guide Board side, that we will have a seamless operation. Clearly, the plan is for hiring,

[1] Effective January 3, 1971, Public Law 91–510 made the tour guides legislative employees under the jurisdiction of the Capitol Guide Board. The first free guided tour was conducted on January 3, 1971.

starting in 2007, for the Capitol Guide team, the additional 71 people that Zell has identified. And obviously, the new functions that the Guide Service will be accommodating; such as boarding buses, talking to people before they actually get off the buses, to come into the visitor center, greeting people once they come through the screening area, working in the orientation theater areas, bringing people into those theaters, out of the theaters to be broken up into smaller groups to tour the Capitol building itself. Inside the exhibition areas—all of these functions and the new information desks inside the visitor center as well, will be staffed by the new people identified for the Guide Service. It's a tremendous increase in the responsibility and scope. And with the ability now to welcome and educate people as they come to visit their Nation's Capitol, as we have not been able to do in the past, will be a wonderful new role, an expanded role for the Guide Service.

FULL-TIME EQUIVALENTS

Senator ALLARD. Now, you've got 71 FTEs, and 24 of those are going to be full time, and you're planning on 37 that will be half time, or part time.

Mr. HANTMAN. Tom.

Mr. STEVENS. It's 37 FTEs that actually split for 6-month positions, so it's actually 74 bodies, if you will, during the peak season.

Senator ALLARD. Okay, and do you anticipate any difficulties in hiring these half-time employees?

Mr. STEVENS. Well, we don't at this point. Zell has volunteered their services to assist us in recruiting and advertising and actually hiring those folks.

Senator ALLARD. Where are you anticipating the half-time employees would come from?

Mr. STEVENS. Well, what we see now are a number of college students, retirees, folks that go south for the winter, but are up here during the summer that enjoy the environment and come to work for us. And this is in addition to our volunteer staffing that we'll actually be beefing up.

Senator ALLARD. Okay. Now, are you confident that the numbers of Guide Service employees requested for the CVC are sufficient?

Mr. STEVENS. I certainly believe for year one we will have sufficient staffing. Hopefully we will not have any kind of legislation that limits our maximum staffing levels. That is, we are budgeted for 143 FTEs, including the current staff. Some of those might be 9-month employees, some 6 month, and some 3 month. It's obviously unrealistic to try to hire all those people and get them trained in a 1-month period. So, it'll be a ramping up just as the season ramps up for us and then slowly ramping down in the fall, as does the visitor season.

HIRING FOR THE CAPITOL VISITOR CENTER

Senator ALLARD. Based on the oversight that we have been having on a monthly basis with the Capitol Visitor Center, testimony is indicating that May is when the CVC would open. When do you begin hiring for the CVC positions with a May opening date?

Mr. STEVENS. I think we have to anticipate somewhere very close to the first of the year, aggressively advertising and recruiting.

Part of the challenge in training is finding adequate space. We do some training now, but our facilities are very limited. Maybe we can borrow some space to do some larger training classes of 50 or 60 at a time, but that's probably going to be the biggest challenge because much of what we do is very unique to our office. They aren't skills that people typically bring with them from previous employment. So, it does take several weeks to even give people a rudimentary knowledge of the building to where we are comfortable with them actually interacting with the visitors.

CERTIFICATE OF OCCUPANCY

Senator ALLARD. Do we have to deal with a certificate of occupancy on the new Capitol Visitor Center where people are not allowed in until you get your final inspection? My point is we may have part of the Capitol Visitor Center available if we could get into it before final inspection for employee training.

Mr. HANTMAN. We would expect, Mr. Chairman, that for training functions, some of the functions that Tom and the team will need to go through, that we'd be able to do that a period of weeks before a certificate of occupancy is issued for the central area. The training that would have to go on that would, say, use outside sample groups, if you will, to move through the center would probably be done more likely after a certificate of occupancy was obtained for general people to come in as opposed to employees.

Senator ALLARD. Okay. That's all the questions I have. Again, I want to thank the panel for showing up this morning and testifying before this subcommittee.

SUBCOMMITTEE RECESS

The subcommittee stands in recess until Wednesday, April 26, at 10:30 a.m. when we will take testimony from the Government Accountability Office on its fiscal year 2007 budget request, as well as receive an update from the Architect of the Capitol and the GAO on the progress of the Capitol Visitor Center. Look forward to seeing you then. Thank you.

[Whereupon, at 11:56 a.m., Wednesday, April 5, the subcommittee was recessed, to reconvene at 10:30 a.m., Wednesday, April 26.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, APRIL 26, 2006

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:30 a.m., in room SD–138, Dirksen Senate Office Building, Hon. Wayne Allard (chairman) presiding.

Present: Senator Allard.

GOVERNMENT ACCOUNTABILITY OFFICE

STATEMENT OF DAVID M. WALKER, COMPTROLLER GENERAL OF THE UNITED STATES

ACCOMPANIED BY:
GENE L. DODARO, CHIEF OPERATING OFFICER
SALLYANNE HARPER, CHIEF ADMINISTRATIVE OFFICER
GEORGE G. STRADER, CONTROLLER

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. The hour of 10:30 having arrived and staying on schedule like we do, we're going to call the Subcommittee on the Legislative Branch to order. This is a hearing on the 2007 budget for the Government Accountability Office (GAO). We will meet today to take testimony on the fiscal year 2007 budget request for the Government Accountability Office, as well as review other GAO matters.

Welcoming our witnesses this morning, we have Mr. David Walker, Comptroller General; Gene Dodaro, Chief Operating Officer; Sallyanne Harper, Chief Administrative Officer; and George Strader, GAO's Controller. I look forward to hearing how you are implementing goal setting and tying that in with your budget figures and employee performance.

NEW YORK TIMES ARTICLE ON MISSILE DEFENSE PROGRAM

Before we discuss GAO's fiscal 2007 budget request, I'd like to take a few moments to discuss an issue of deep concern to me. On April 2 of this year, the New York Times published a story alleging that the Government Accountability Office—and I quote, "ignored evidence that contractors doctored data, skewed test results, and made false claims," close quote, in a 2002 report on missile defense. The article was based on information provided by Mr. Subrata Ghoshroy, a GAO analyst who is on loan to the Massachusetts Institute of Technology.

The information provided by Mr. Ghoshroy raises several troubling issues and calls into question the integrity of the GAO's investigative process. Even more disturbing are Mr. Ghoshroy's accusations that GAO personnel deliberately undermined this investigation and possibly altered documents to avoid investigating key items that might have lead to revelations of contractor fraud.

I am especially interested in knowing how GAO made a unilateral decision to alter the scope of the investigation without securing the concurrence of the members who requested the investigation.

Mr. Walker, I realize that some have used this issue to promote their own political agenda. In the context of this hearing, the policy does not interest me, really. I am interested in the process. And as the subcommittee responsible for overseeing the GAO, I believe we have an obligation to get to the bottom of the allegations. The GAO's reputation and credibility depends upon its ability to accurately investigate the executive branch on behalf of Congress. Accountability, integrity, and reliability are GAO's core tenets and I think we need to maintain those.

So Mr. Walker, please proceed with your statement.

Mr. WALKER. Sure. Would you like me to address that issue now.

Senator ALLARD. Yes.

And then, let's go ahead and move on to your budget.

MR. WALKER'S RESPONSE TO THE NEW YORK TIMES ARTICLE

Mr. WALKER. That'll be great. Thank you, Mr. Chairman. It's a pleasure to be back before you and I look forward to talking about the budget. But let me go ahead and address this issue, because I think it is important we try to put it to rest.

First, the allegations lack merit. Just because they are printed, doesn't mean they are true. I can tell you that we conducted three internal reviews on this matter. Any time that I received a complaint, from either Mr. Berman or Mr. Ghoshroy, I expeditiously took steps to try to review those. I commissioned three internal reviews and all of those reviews came out to say that the assertions lacked merit.

Furthermore, there was a prize winning investigative reporter from 1 of the top 10 papers in the United States—who spent months last year conducting an independent investigation of this. And after months, the reporter determined that it lacked merit and was not worthy of publication.

Furthermore, I think it's important for you to know, that this report was 1 of about 4,000 that we've issued in the last several years. It's also one of many that we've issued on national missile defense, and we take our quality control procedures very seriously. We want you to be able to rely upon our work and for the American people to be able to rely on our work. I think it's important for you to also know that last year we had two independent peer reviews conducted of GAO's quality assurance processes. One by KPMG on our financial audits. One by a multinational team lead by Canada, involving seven countries who looked at our quality control procedures and non-financial audit work. You can rely on our work.

LESSONS LEARNED FROM MISSILE DEFENSE ENGAGEMENT

Now with regard to lessons learned. There are two important lessons learned from this engagement. Number one, we never should have accepted it from day one. We were asked to do work on a matter that, after further investigation, was pending in the Federal courts. In my view, there was an attempt to get GAO to intervene in private party litigation and to use GAO's work to further that private party litigation. That is wholly inappropriate, in my opinion.

So first, we made a mistake by accepting the engagement. But after it became clear, and after we had accepted to do some work, that we were being asked to do something relating to litigation that was pending, we made an attempt to modify the objectives of the engagement, in order to be able to do something without directly intervening in that litigation.

In doing that, we made a second mistake. And that is, when we communicated with the requestor's staff about the need to make a change and what our change would be, we did not communicate it in writing. That was a mistake. As a result, that led to an expectation gap between the requestor and us as well as I think, this particular employee who is on a leave of absence, who has dogged us ever since.

We have modified our procedures with regard to engagement acceptance. We have also modified our procedures with regard to modifying engagement objectives after we've accepted an engagement. We have not had any other instances like this occur, and I can assure you we'll do everything we can to make sure it doesn't reoccur. But I can also assure you, that you can rely upon our work including that report.

BACKGROUND ON MISSILE DEFENSE ARTICLE

Senator ALLARD. Now, I'm just going to follow up with a question and we'll just get this off the table and move on with the budget. It's really unusual for a GAO employee to come forward like this. I can't recall any, and you indicated in your testimony that has never happened. In this particular instance, what caused your analyst to complain to the press, from your point of view?

Mr. WALKER. Mr. Chairman, to a certain extent, I would be speculating. I think the problem is, that the analyst wanted us to do the original work and when we modified the scope of the engagement to make sure that we did not interject GAO into ongoing litigation, I think the analyst had difficulty accepting that, even though it was very consistent with GAO's longstanding policy well before I was at GAO, that we won't interject ourselves into pending litigation.

I think the analyst also had difficulty in understanding that while every person's opinion counts at GAO, no matter what your position is, no matter what your level is, no matter what your classification is, in the final analysis while everybody needs to be heard and is heard, we make institutional decisions.

Senator ALLARD. And this was in a lawsuit that he had a personal interest in?

Mr. WALKER. To my knowledge, he didn't have a personal interest. But it's also my understanding; he may have known some of the parties who did have a personal interest in the litigation. That's something that we're following up on. Since the report appeared in the New York Times, I have received information from a party, not in government, but a very high ranking official who's aware of this situation, who believes that there may have been some relationships that need to be reviewed, and we are in the process of doing that. These are allegations. They may or may not be true. And unless and until we review it and investigate it, I would prefer not to go into more detail. But I would be more than happy to keep you apprised, as I promised Congressman Berman as well as Senator Grassley to keep them apprised.

Senator ALLARD. Well I would appreciate that. I'm glad that you feel that you've learned some things. We all make mistakes occasionally and we need to learn from those mistakes. But aside from that, do you think the review was taken in the most professional and unbiased manner possible?

Mr. WALKER. You can rely on that work, Mr. Chairman. The other thing that one has to keep in mind, is the Justice Department was already well aware of this matter.

Senator ALLARD. Yes.

Mr. WALKER. And so, this was not something new. This was not something where people were relying on GAO to be able to advise the Justice Department as to whether or not the Government's interest should be protected. In fact, the Justice Department conducted its own independent review, it's my understanding, to determine whether and to what extent they should intervene in this action. They decided not to intervene in this action.

I can tell you, Mr. Chairman, we have spent a tremendous amount of time institutionally, as well as myself individually, and we've spent a significant amount of taxpayer resources taking this matter very seriously. I'm just hoping we're to the point that we can move forward.

PRIOR DISCUSSIONS WITH THE CONGRESS ON MISSILE DEFENSE

Senator ALLARD. Yes. You've now talked to Mr. Berman and Senator Grassley about this misjudgment that you've made in taking on the case and subsequently had to change the scope. Even though it was after the fact, did they agree in light of the court case, that this is a change that needed to be made?

Mr. WALKER. They understand and they accept what we did and why we did it. I've spoken to Mr. Berman on several occasions over several years about this. In fact, I was very surprised when the article appeared in the New York Times, because there had been no attempt to communicate with me on this for almost 2 years. After all the efforts I had taken, and that we institutionally had taken on this, it was really a surprise to me. In fact, the letter that resulted in the New York Times article—the 41 page letter, dated December 19, 2005, was never provided to me or anybody else at GAO. We had to get it off of Mr. Berman's website the day after it appeared in the New York Times.

Senator ALLARD. I see.

Mr. WALKER. I will say for the record, that I had the professional courtesy to send Subrata Ghoshroy a copy of my response to his letter, which I think obviously, is appropriate.

GOVERNMENT ACCOUNTABILITY OFFICE'S POLICY ON ENGAGEMENTS PENDING LITIGATION

Senator ALLARD. Yes. Now your policy, prior to 2002, has not been to take on studies that might involve you in a court case. Is that the policy now?

Mr. WALKER. Our policy was and remains not to have GAO directly address issues that are pending before the Federal courts.

Senator ALLARD. Is it just Federal courts or is it local courts too?

Mr. WALKER. It's general—it's any court. But typically, its Federal courts when somebody would be involving us to do anything regarding Federal spending, programs or whatever else. We never should have accepted it. Once we did accept it, we endeavored to try to be able to modify the objectives to not directly intervene. But that created certain expectation gaps within our organization and outside our organization. In fact, I communicated with Mr. Berman about this within the last couple of weeks and I think we both agree, that rather than modify the objectives, we probably should have said, we're not going to do anything.

Senator ALLARD. Yes.

Mr. WALKER. Because it created certain expectation gaps. So, as you know, no good deed goes unpunished. I mean you're trying to provide some type of service. But we have learned lessons. In summary, you can rely on this report and we did take the complaints very seriously.

GOVERNMENT ACCOUNTABILITY OFFICE'S QUALITY CONTROL PROCEDURES

Senator ALLARD. Now how does GAO deal with concerns that are raised by analysts as to the direction the report is going in or the conclusions being drawn during the course of the job?

Mr. WALKER. Let me provide an overview of our quality control procedures, Mr. Chairman. I think it would help. As you can imagine, we receive 25 to 50 requests in a typical week from the Congress for us to do work. Every Monday afternoon, Gene Dodaro, our Chief Operating Officer, after getting input from me, chairs a meeting reviewing all of those requests involving the managing directors of all of our key teams, and we make a decision, typically within 10 days, on whether or not we're going to accept it. We also assign who is going to be the leader. We also identify, given the nature of the work, the complexity of the work, what we're being asked to do, and who the other key stakeholders are that need to be involved. For most of the work that we do, there are multiple key stakeholders, or multiple organizations, as was the case with this report. There are usually a number of key organizations that have to be involved to bring the right skills and knowledge together to do the best job and to mitigate related risk.

Then staff are assigned. We have an extensive quality control process that includes periodic status reports on each major engagement. We also have a quality control process that includes internal reviews of all draft reports. We have a quality control process that

includes providing an opportunity for any of the agencies that would be affected, to comment on the report before it is made final. If there are differences of opinion within our agency between key stakeholders, they are to buck it up the chain of command. If necessary, to my level, to get it resolved.

Interestingly with regard to this report, we have a policy where before we issue any report, every stakeholder that's assigned to the engagement has to sign off on the report. That was the case here, including the person who's complaining.

Senator ALLARD. So the person who's raising the complaint signed off on the report?

Mr. WALKER. He signed off on the report.

ENSURING THE GOVERNMENT ACCOUNTABILITY OFFICE REPORTS ARE IMPARTIAL

Senator ALLARD. Okay. Now, what steps do you take to ensure that your employees or consultants that you are working with don't have an over sympathetic relationship with individuals involved in your investigation, in a way that might distort the outcome of that report?

Mr. WALKER. As you know, Mr. Chairman, we have professional independence standards that relate to GAO. We also have supplemental internal policies and procedures. We set a very high bar on both institutional independence, as well as individual independence with regard to particular engagements. So when we're staffing, we're looking for that. The people have to let us know if they think they have any potential impairments that we need to be aware of. I would ask Gene Dodaro, our Chief Operating Officer, to comment in more detail.

Senator ALLARD. Mr. Dodaro.

Mr. DODARO. Good morning, Senator. We have several different safeguards in place. Annually, each employee is to sign a statement of independence, saying that they are free from any personal impairments. Every employee also files a financial disclosure statement that's reviewed by their supervisor, so we can tell if they have any financial interest that may be an issue.

Then, when individual engagements are staffed, every employee is reminded that they are to notify their manager if they have any personal or other conflicts with their assignment to that engagement. And then, they sign off on every individual engagement.

Now, we didn't have that particular procedure in place back when this engagement was conducted, but we've added it since then. We've always had the annual certification. We've always had the requirement that each employee notify managers if they have any conflicts of interest.

So the burden is on individual employees to notify managers. But we do have institutional safeguards and do some independent checking, as well.

Senator ALLARD. Okay. And just kind of a summary question here. Mr. Dodaro, you mentioned a couple lessons learned. Can we just get a summary of lessons learned and then actions that have been taken, so that doesn't happen again?

Mr. WALKER. Absolutely, Mr. Chairman. We'd be happy to provide that for the record.

Senator ALLARD. If you would, please.
Mr. WALKER. We will do it.
[The information follows:]

Question. How has GAO responded to the allegations about the February 2002 missile defense program report and what changes, if any, have you made to GAO's internal processes as a result?

Answer. We have taken these concerns very seriously. In total, I initiated three internal reviews to respond to the concerns and most recently, in April 2006, provided a detailed response to Senator Grassley and Representative Berman addressing questions about the report. In summary,

—The three internal reviews that have been conducted, including one by our Inspector General, found that our 2002 report was done in accordance with generally accepted government auditing standards and the allegations raised were not substantiated. In particular, these reviews determined that there was no credible evidence supporting the assertion of conflicts of interest by GAO personnel involved with the engagement nor was there any credible evidence that would raise questions regarding the integrity of our workpapers.

—The missile defense report's findings represent the consensus view of our most senior technical and professional staff. Differences of opinion during the course of the work were resolved by the time the report was issued, as evidenced by the signatures of all the "stakeholders" on the engagement, including the employee making the assertions. As a result, we continue to stand behind the report. While the employee who made the allegations, like all the other team members did play a role in this engagement, he was one of four technical people involved in the project. In addition, while all GAO employees' opinions are important and sought, the opinion of a single individual is not sufficient to create an institutional position.

—Importantly, the objective of our engagement was not to adjudicate whether false claims had or had not been made nor did we attempt to do so. In hindsight, we should not have accepted the original July 2000 request because of the then-ongoing litigation over the central issues involved in the sensor test. Once we identified the need to restructure the engagement in order to be consistent with long-standing GAO policy involving matters pending before the courts, we took corrective action to avoid directly inserting GAO into the issues that were the subject of the litigation. The Justice Department was already aware of allegations of false claims prior to GAO issuing its report. Furthermore, the Justice Department conducted its own review of this matter and decided not to pursue it. As I have noted in previous communications on this matter, we should have done a better job of communicating to the requester that we were revising our audit scope and objectives and documenting such revisions. Clearly this communication gap underlies the fundamental misunderstanding that is at the heart of this dispute both internally and externally, which has now consumed a significant amount of time and taxpayer resources over several years.

—GAO has a strong, clear, and consistent record of aggressively pursuing fraud, waste, abuse, and mismanagement within government, including the Defense Department, in general, and defense contracting and weapons acquisitions, in particular. In fact, eight individual DOD areas are on GAO's high risk list including weapons systems acquisition and several government wide high risk areas apply to DOD as well. Our reviews of missile defense issues have been an important part of this body of work.

In part as a result of the 2002 missile defense report, we have clarified our written policies and introduced new procedures pertaining to requests for work that deal with issues in litigation. Our written policies have been revised to emphasize that our Office of General Counsel should help identify and analyze any ongoing or anticipated litigation that could affect the engagement acceptance decision, and that this office should be consulted about such matters. In addition, the July 2004 update to our Congressional Protocols specifies that one of the factors that will be considered in determining whether to accept congressional requests is whether the matter is pending before administrative or judicial forums. We also have been giving greater attention to this issue at our weekly Engagement Acceptance Meeting, where all new congressional requests and mandates are discussed to determine, among other things, whether the work should be done and the appropriate level of Office of Comptroller General involvement. Known or potential issues involving litigation are discussed at the Engagement Acceptance Meeting as part of deciding whether GAO should accept the engagement. Lastly, we hold bi-weekly Engagement Review Meetings to discuss progress or issues on ongoing assignments that may require senior

GAO management attention, such as litigation that may have been initiated since an engagement was begun and that may impact the engagement's scope or objectives.

Regarding the issue of communicating changes in the scope of GAO work to requesters, once I became aware of the miscommunication on the missile defense engagement, we strengthened our internal policies and practices to protect against such communication problems in the future. Specifically, our practice is now to not only discuss significant changes in the scope of work, but also to document this discussion with a letter to the requester outlining the changes. Additional communication requirements in the protocols include holding discussions and sending documenting letters concerning our acceptance/declination of a request; and our agreement with the requester on the terms of the engagement. The practice of providing briefings and sending letters to the requester whenever there is a significant change in the objectives or scope of an engagement—coupled with the attention we give to these issues in Engagement Acceptance and Engagement Review Meetings—should help ensure solid communications with our congressional clients on these issues.

In regard to assuring the independence of GAO staff, at the start of each engagement, the engagement's Director discusses the need to maintain independence with the engagement team and asks if anyone has any independence issues. This discussion is documented. If an individual's personal impairment cannot be mitigated, the individual will not perform the audit. When the design of an engagement is completed and documented (referred to as a design matrix), all engagement staff and stakeholders certify on the design matrix that they are free of any impairments to their independence and that they will notify their supervisor if such impairments should arise.

Finally, it is our longstanding policy and practice that GAO's professional staff represent their independence by (1) signing an annual Statement of Independence stating that they have no personal or external impairments and understand the requirements for independence as stated in our professional standards (Generally Accepted Government Auditing Standards), (2) identifying financial interests and filing an annual Financial Disclosure report that is reviewed by Executive Committee members, Managing Directors, or designees; and (3) reporting to their Managing Director when they are seeking employment at the entity being audited and obtaining their Managing Director's approval to engage in outside activities.

Question. What policies and practices have you put in place to assure that (1) GAO does not accept requests for work on matters involving pending litigation, (2) changes in the scope of work are communicated to requesters, and (3) GAO staff are free of any impairments related to the subject or conduct of an engagement?

Answer. It has been our long-standing policy to generally avoid addressing any issue that is directly related to a matter pending in the Courts. In addition, we do not believe it is appropriate to use GAO as a means of advancing the interests or positions of private parties in pending litigation, whether intentionally or unintentionally. As a general rule, we will seek to avoid such engagements unless we believe we can structure our work to avoid influencing or directly interfering with pending litigation.

In part as a result of the 2002 missile defense report, we have clarified our written policies and introduced new procedures pertaining to requests for work that deal with issues in litigation. Our written policies have been revised to emphasize that our Office of General Counsel should help identify and analyze any ongoing or anticipated litigation that could affect the engagement acceptance decision, and that this office should be consulted about such matters. In addition, the July 2004 update to our Congressional Protocols specifies that one of the factors that will be considered in determining whether to accept congressional requests is whether the matter is pending before administrative or judicial forums. We also have been giving greater attention to this issue at our weekly Engagement Acceptance Meeting, where all new congressional requests and mandates are discussed to determine, among other things, whether the work should be done and the appropriate level of Office of Comptroller General involvement. Lastly, we hold bi-weekly Engagement Review Meetings to discuss progress or issues on ongoing assignments that may require senior GAO management attention, such as litigation that may have been initiated since an engagement was begun and that may impact the engagement's scope or objectives.

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GOVERNMENT ACCOUNTABILITY OFFICE'S FISCAL YEAR 2005 ACCOMPLISHMENTS

Senator ALLARD. Okay. Let's go ahead and proceed with your budget, and hear what you have to say in that regard.

Mr. WALKER. Thank you, Mr. Chairman. I appreciate that very much. I want to thank you for the opportunity to appear before you again, and I want to thank your subcommittee for your past support. Briefly, I'd like to touch on some of our accomplishments for last year, and then our budget request for 2007.

In the last fiscal year, ended September 30, 2005, as you know, GAO is trying to lead by example in transforming what we do and how we do business, focusing on positive results that benefit the Congress and the American people. Last year, we met or exceeded 10 of our 14 performance measures. We matched or set all time records for three of those performance measures. We achieved $39.6 billion in financial benefits. That's an $83 return for every $1 invested in GAO. That's number one in the world. Nobody's even close. Nobody else is even in double digits. We had a 93 percent positive client feedback score and we set all time records on our employee feedback scores. So on all dimensions; it was a very good year.

We issued two strategic documents of critical importance to the Congress and the country. The first was our "High Risk Update" listing high risk programs, functions, and activities in the Federal Government. The second one was our "21st Century Challenges" document, which I know Mr. Chairman, you've seen. This document lays out a series of questions that need to be asked and answered in order to re-engineer the Government to address 21st century challenges and capitalize on related opportunities.

We strengthened various partnerships, both domestically and internationally. For example, we led the effort to develop the first ever strategic plan for auditors general around the world, modeled after GAO's plan. We also led the effort that resulted in the first

ever National Intergovernmental Audit Forum strategic plan which involves Federal, State, and local auditors. It's important that we partner for progress, because we all have limited resources, if we're going to achieve maximum results.

We successfully completed, as I mentioned before, two external peer reviews, providing assurance to the Congress and the American people in connection with our quality control processes. They resulted not only in clean opinions, but also a number of global good practices that were identified.

A couple of areas for continuous improvement were noted in the reports, and we are taking steps in light of those recommendations. We have implemented additional flexibilities provided by this Congress, dealing with our human capital classification and compensation systems. We now have market-based pay ranges for all GAO personnel. We now have a compensation system that pays based upon skills, knowledge, and performance. We also have extended pay banding to all of our administrative personnel. There are no GAO employees on the GS system. Not one.

We are a window to the future, Mr. Chairman, with regard to this area. We most recently—and this is in fiscal 2006, had to accomplish the most difficult thing we'll ever do internally and that is to make tough decisions for our so-called Band II, or mid-level senior auditors, investigators, analysts, and evaluators, to determine which ones should benefit from higher pay ranges that came out of the pay study and which ones should not.

We found when that pay study came out, that it was good news and bad news. The good news was, depending on a person's level of responsibilities and their performance; they should have the opportunity to earn up to $10,000 more than under our old system. The bad news was that if some persons were not leading on a recurring basis or their performance did not justify, we were paying them too much. And so, we had to go through a system, on an individual by individual basis, which I am happy to answer questions on if you so desire, that resulted in decisions for applicable individuals, including some resulting from personal appeals that came to me.

In the final analysis, we've got only 1 percent of our Band II employees that have made independent appeals to our external review body. I think that is a minor miracle, and we obviously look forward to working with that body to resolve those appeals.

GOVERNMENT ACCOUNTABILITY OFFICE'S FISCAL YEAR 2007 BUDGET REQUEST

As far as 2007, as has been the case, we are trying to be modest with regard to our budget requests. We know the country is in a deficit situation. We're asking for about a 5-percent increase relating directly and overwhelmingly to mandatory and uncontrollable increases.

I would respectfully suggest, Mr. Chairman that you not just consider what our increase is for this year, but also how we've been treated over the last several years. For example, since fiscal 2000, GAO's budget has increased 10 percent in constant dollars. The average legislative branch constant dollar increase during the same period is 36 percent. So I would respectfully suggest that you not

just look at what we're asking for now, but how we've been treated in the past and what results we're generating for the Congress and the American people, making the tough decisions that you're going to have to make, with regard to limited resource allocations.

We're asking for 50 additional full-time equivalents (FTEs). The reason we're asking for them, is that we're facing increasing supply and demand imbalances in congressional requests versus our ability to address those requests in a timely manner in several areas, such as healthcare and homeland security.

And last, we're asking for a few targeted investments based on a business case, one time money that we would hopefully get funded for and will reverse out of our base, for things like replacing our 20 year old financial management system and enhancing our physical and information security requirements. In that regard, Mr. Chairman, it's not just for us, but we're one of several contingent sites for the Congress in the event of an unexpected catastrophic event.

PREPARED STATEMENT

So, we're not just trying to take care of ourselves and our people, we're also trying to be in a position to help the Congress in the event that the Congress needs to use our facilities, which has already happened once in the history of the republic. I hope it won't happen again. But if it does, we want to be ready.

Thank you, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF DAVID M. WALKER

Mr. Chairman and Members of the Committee: I am pleased to appear before the Committee today in support of the fiscal year 2007 budget request for the U.S. Government Accountability Office (GAO). This request will help us continue our support of the Congress in meeting its constitutional responsibilities and will help improve the performance and ensure the accountability of the federal government for the benefit of the American people.

Budget constraints in the federal government grew tighter in fiscal years 2005 and 2006. In developing our fiscal year 2007 budget, we considered those constraints consistent with GAO's and the Committee's desire to "lead by example." In fiscal year 2007, we are requesting budget authority of $509.4 million, a reasonable 5 percent increase over our fiscal year 2006 revised funding level. In the event Congress acts to hold federal pay increases to 2.2 percent, our requested increase will drop to below 5 percent. This request will allow us to continue making improvements in productivity, maintain our progress in technology and other transformation areas, and support a full-time equivalent (FTE) staffing level of 3,267. This represents an increase of 50 FTEs over our planned fiscal year 2006 staffing level and will allow us to rebuild our workforce to a level that will position us to better respond to increasing supply and demand imbalances in areas such as disaster assistance, the global war on terrorism, homeland security, forensic auditing, and health care.

I am proud of the work we accomplished this past fiscal year in support of the Congress and the American people. We provided our congressional clients with timely, objective, and reliable information on how well government programs and policies are working and, when needed, recommendations for improvement. In the years ahead, our support to the Congress will likely prove to be even more critical because of the pressures created by our nation's current and projected budget deficit and growing long-term fiscal imbalance. Indeed, as it considers those fiscal pressures, the Congress will be grappling with tough choices about what government does, how it does business, and who should do the government's business. GAO is a valuable tool for helping the Congress review, reprioritize, and revise existing mandatory and discretionary spending programs and tax policies. Additionally, through its involvement domestically with the federal, state, and local audit community and internationally with its national audit office counterparts, GAO has played—and will

continue to play—an important role in helping to ensure the financial integrity of U.S. funds expended at home and abroad. GAO-led efforts to develop and implement the first-ever strategic plans for the National Intergovernmental Audit Forum and the International Organization of Supreme Audit Institutions have helped improve the effectiveness of these audit organizations and GAO to work more efficiently and cost-effectively.

In an effort to identify areas for potential improvement, GAO underwent two peer reviews in fiscal year 2005. We obtained a clean opinion on our performance audit practice from an international team of experienced auditors—the first time that we have sought such an opinion. The independent reviewers concluded that we have designed and implemented an effective system of quality controls to provide reasonable assurance of complying with generally accepted government auditing standards, which are designed to ensure that audits of government activities are objective, independent, and reliable. This opinion validated that the Congress and the American people can rely on our work and products. Also during fiscal year 2005, GAO received an unqualified report, or clean opinion, on the results of the external peer review of its financial audit practice. External peer reviews are conducted on a 3-year cycle, and this is the fourth such clean opinion that GAO has received from an external peer reviewer since the program began in fiscal year 1996. The external peer reviewer, KPMG LLP, found that the system of quality control for GAO's financial auditing practice met professional standards and that GAO in fact complied with the standards.

In fiscal year 2005, we met or exceeded targets for 10 of our 14 performance measures, while setting or matching all-time records for 3 measures. We documented $39.6 billion in financial benefits—a return of $83 for every dollar we spent—and over 1,400 nonfinancial benefits—a record for us. Our targets for fiscal years 2006 and 2007 will continue to challenge the agency in our efforts to support the Congress and serve the American people. Beginning with fiscal year 2006, we will add 2 internal operations measures to the list. These 2 new performance measures will assess how well our mission and people are supported by our infrastructure operations staff.

In fiscal year 2005, we issued two products that will assist the Congress as it addresses future challenges. Recognizing the importance and scope of these reports, we provided a copy to every member of Congress and each Committee, as well as the White House. Our report entitled 21st Century Challenges: Reexamining the Base of the Federal Government provides a series of illustrative questions related to 12 areas of federal activity as well as our perspective on various strategies and approaches that should be considered as a possible means to address the issues and questions raised in the report. Drawing on our institutional knowledge and extensive program evaluation and performance assessment work for the Congress, we presented over 200 specific 21st century questions illustrating the types of hard choices our nation needs to face as it reexamines what the federal government should do, how it should do it, and how it should be financed. We also issued our High-Risk Series: An Update, which identifies federal areas and programs at risk of fraud, waste, abuse, and mismanagement and those in need of broad-based transformations. The issues affecting many of these areas and programs may take years to address, and the report will serve as a useful guide for the Congress's future programmatic deliberations and oversight activities. The current administration has looked to our high-risk program in shaping governmentwide initiatives such as the President's Management Agenda, which has at its base many of the areas we had previously identified as high risk. The Office of Management and Budget (OMB), in consultation with GAO, is currently working to ensure that agencies develop detailed action plans to address high-risk areas, with the ultimate objective, over time, of seeing these items removed from our high-risk list.

As in past years, during fiscal year 2005, our work covered a number of major topics of concern to the nation and, in some cases, the world. For example, we reported on the nation's long-term fiscal challenges, the financial condition of the airline industry, spending and reconstruction activities related to Iraq and Afghanistan, and strengthening the visa process as an antiterrorism tool. We also examined the Department of Defense's (DOD's) transformation challenges, base realignment and closure issues, increasing the strategic focus of federal acquisitions, protecting against identity theft, the oversight of electricity markets, zero down-payment mortgages, and immigration enforcement. We testified many times before the Congress, contributing to the public debate on a variety of topics that included Social Security reform, pension reform, postal reform, GSE oversight, wildland fire management, gasoline prices, the flu vaccine, veterans' health care, benefits for members of the Reserves and National Guard, digital broadcast television, long-term health care financing, passport fraud detection, reducing the tax gap, information security, and

a range of financial management and accountability issues. In addition, we conducted a range of work on a variety of legislative branch agencies and projects, including the Capitol Visitor Center, the Architect of the Capitol, and the U.S. Capitol Police.

This past year we also continued to take steps internally to help us achieve our goal of being a model federal agency and a world-class professional services organization. These steps helped us to address our three major management challenges—human capital, physical security, and information security. Through the GAO Human Capital Reform Act of 2004, the Congress granted GAO several additional human capital flexibilities that will allow us, among other things, to move to an even more performance-oriented and market-based compensation system. As you have heard me say many times, our most valuable asset is our people, and the flexibilities granted in this act will help us to continue to modernize our people-related policies and strategies, which, in turn, will help ensure that we are well-equipped to serve the Congress and the American people in the years to come. As a result, we are continuing to take a range of actions designed to modernize our human capital policies and practices. In fiscal year 2005, we adopted a broad pay band approach and a more performance-oriented pay system for our administrative staff. In fiscal year 2006, we implemented a more market-based and skills-, knowledge-, and performance-oriented classification and pay system for all of our employees.

My testimony today will focus on our budget request for fiscal year 2007 to support the Congress and serve the American people and on our performance and results with the funding you provided us in fiscal year 2005.

GAO'S FISCAL YEAR 2007 REQUEST TO SUPPORT THE CONGRESS

Our fiscal year 2007 budget request will provide us the resources necessary to achieve our performance goals in support of the Congress and the American people. This request will allow GAO to improve productivity and maintain progress in technology and other transformation areas. We continue to streamline GAO, modernize our policies and practices, and leverage technology so that we can achieve our mission more effectively and efficiently. These continuing efforts allow us to enhance our performance without significant increases in funding. Our fiscal year 2007 budget request represents a modest increase of about $25 million (or 5 percent) over our fiscal year 2006 revised funding level—primarily to cover uncontrollable mandatory pay and price level increases. This request reflects a reduction of nearly $5.4 million in nonrecurring fiscal year 2006 costs used to offset the fiscal year 2007 increase. This request also includes about $7 million in one-time fiscal year 2007 costs, which will not recur in fiscal year 2008, to upgrade our business systems and processes.

As the Congress addresses the devastation in the Gulf Coast region from Hurricane Katrina and several other major 2005 hurricanes, GAO is supporting the Congress by assessing whether federal programs assisting the people of the Gulf region are efficient and effective and result in a strong return on investment. In order to address the demands of this work; better respond to the increasing number of demands being placed on GAO, including a dramatic increase in health care mandates; and address supply and demand imbalances in our ability to respond to congressional interest in areas such as disaster assistance, homeland security, the global war on terrorism, health care, and forensic auditing, we are seeking your support to provide the funding to rebuild our staffing level to the levels requested in previous years. We believe that 3,267 FTEs is an optimal staffing level for GAO that would allow us to more successfully meet the needs of the Congress.

In preparing this request and taking into account the effects of the fiscal year 2006 rescission, we revised our workforce plan to reduce fiscal year 2005 hiring and initiated a voluntary early retirement opportunity for staff in January 2006. These actions better support GAO's strategic plan for serving the Congress, better align GAO's workforce to meet mission needs, correct selected skill imbalances, and allow us to increase the number of new hires later in fiscal year 2006. Our revised hiring plan represents an aggressive hiring level that is significantly higher than in recent fiscal years, and it is the maximum number of staff we could absorb during fiscal year 2006. These actions will also position us to more fully utilize our planned FTE levels of 3,217 and 3,267 in fiscal years 2006 and 2007, respectively.

Our fiscal year 2007 budget request includes approximately $502 million in direct appropriations and authority to use about $7 million in estimated revenue from rental income and reimbursable audit work. Table 1 summarizes the changes we are requesting in our fiscal year 2007 budget.

TABLE 1.—FISCAL YEAR 2007 BUDGET REQUEST, SUMMARY OF REQUESTED CHANGES

[Dollars in thousands]

Budget category	FTEs	Amount	Cumulative percentage change
Fiscal year 2006 enacted budget authority	3,217	$489,560	
Less: rescission		(4,896)	
Fiscal year 2006 revised budget authority		$484,664	
Fiscal year 2007 requested changes:			
Nonrecurring fiscal year 2006 costs		($5,380)	(1)
Mandatory pay costs	50	18,469	3
Price level changes		4,073	4
Relatively controllable costs		7,528	
Adjustment due to rounding		1	
Subtotal—requested changes	50	$24,691	5
Total fiscal year 2007 budget authority required to support GAO operations	3,267	$509,355	

Source: GAO.

Our fiscal year 2007 budget request supports three broad program areas: Human Capital, Engagement Support, and Infrastructure Operations. Consistent with our strategic goal to be a model agency, we have undertaken a number of initiatives to implement performance-based, market-oriented compensation systems; adopt best practices; benchmark service levels and costs; streamline our operations; cross-service and outsource activities; and leverage technology to increase efficiency, productivity, and results.

The Human Capital Program provides the resources needed to support a diverse, highly educated, knowledge-based workforce comprising individuals with a broad array of technical and program skills and institutional memory. This workforce represents GAO's human capital—its greatest asset—and is critical to the agency's success in serving the Congress and the nation. Human Capital Program costs represent nearly 80 percent of our requested budget authority.

To further ensure our ability to meet congressional needs, we plan to allocate approximately $17 million for Engagement Support to: conduct travel, a critical tool to accomplish our mission of following the federal dollar cross the country and throughout the world, and to ensure the quality of our work; contract for expert advice and assistance when needed to meet congressional timeframes for a particular audit or engagement; and ensure a limited presence in the Middle East to provide more timely, responsive information on U.S. activities in the area.

In addition, we plan to allocate about $91 million—or about 18 percent of our total request—for Infrastructure Operations programs and initiatives to provide the critical infrastructure to support our work. These key activities include information technology, building management, knowledge services, human capital operations, and support services.

PERFORMANCE, RESULTS, AND PLANS

In fiscal year 2005, the Congress focused its attention on a broad array of challenging issues affecting the safety, health, and well-being of Americans here and abroad, and we were able to provide the objective, fact-based information that decision makers needed to stimulate debate, change laws, and improve federal programs for the betterment of the nation. For example, as the war in Iraq continued, we examined how DOD supplied vehicles, body armor, and other materiel to the troops in the field; contributed to the debate on military compensation; and highlighted the need to improve health, vocational rehabilitation, and employment services for seriously injured soldiers transitioning from the battlefield to civilian life. We kept pace with the Congress's information needs about ways to better protect America from terrorism by issuing products and delivering testimonies that addressed issues such as security gaps in the nation's passport operations that threaten public safety and federal efforts needed to improve the security of checked baggage at airports and cargo containers coming through U.S. ports. We also explored the financial crisis that weakened the airline industry and the impact of this situation on the traveling public and airline employees' pensions. We performed this work in accordance with our strategic plan for serving the Congress, consistent with our professional stand-

ards, and guided by our core values (see appendix 1). See table 2 for examples of how GAO assisted the nation in fiscal year 2005.

TABLE 2.—EXAMPLES OF HOW GAO ASSISTED THE NATION IN FISCAL YEAR 2005

Goal	Description	GAO provided information that helped to
1	Provide timely, quality service to the Congress and the federal government to address current and emerging challenges to the well-being and financial security of the American people.	Improve the transition from active duty to civilian status for veterans with serious war-related injuries Address long-term health care financing pressures on state and local government budgets Identify challenges associated with transferring the Medicare appeals process from the Social Security Administration and HHS Improve patient safety at Department of Veterans' Affairs hospitals Improve the security of Social Security numbers Address the challenges of pension reform Strengthen the security screening process for passengers and checked baggage at the nation's airports Improve the oversight of Federal Housing Administration single-family and multifamily lenders Improve the oversight of electricity markets by the Federal Energy Regulatory Commission Identify challenges associated with the Department of Energy's (DOE's) nuclear facility designs Monitor the growth in the digital television market Analyze issues contributing to the declining financial condition of the airline industry
2	Provide timely, quality service to the Congress and the federal government to respond to changing security threats and the challenges of global interdependence.	Improve the management of funds for the global war on terrorism Increase the security of cargo containers to prevent terrorist activity Alert the Congress to issues affecting the DOD's major weapon systems Analyze funding options for a new federal foreign assistance program—the Millennium Challenge Account Promote government efforts to address threats to the security of the nation's information systems Strengthen the visa process as an antiterrorism tool Improve management of the U.S. Coast Guard's Deepwater Program Shape the debate on improving military pay and benefits Strengthen the U.S. strategic export control system Identify improvements needed to secure critical IT systems used by U.S. financial markets Report to the Congress on the 2005 base realignment and closures (BRAC) defense transformation
3	Help transform the federal government's role and how it does business to meet 21st century challenges.	Increase the public's understanding of the federal government's long-term fiscal challenges Implement governmentwide civil service reforms Oversee federal tax policy Increase debts collected from criminals Decrease improper payments made by the USDA Food Stamp Program and other federal agencies Manage multibillion dollar IT modernizations and investments at the Department of Homeland Security (DHS) and Office of Personnel Management Improve agencies' strategic purchasing practices Examine changes in key areas of federal activity that could affect the federal government's fiscal future Enhance the knowledge base on comprehensive national indicators Improve postal operations through reform legislation
4	Maximize the value of GAO by being a model federal agency and a world-class professional services organization.	Foster among other federal agencies GAO's innovative human capital practices, such as broad pay bands; performance-based compensation; and workforce planning and staffing strategies, policies, and processes Share GAO's model business and management processes and other transformation-related information with counterpart organizations in the United States and abroad

Source: GAO.

OUTCOMES OF OUR WORK AND THE ROAD AHEAD

During fiscal year 2005 we monitored our performance using 14 annual performance measures that capture the results of our work; the assistance we provided to the Congress; and our ability to attract, retain, develop, and lead a highly professional workforce (see table 3). For example, in fiscal year 2005 our work generated $39.6 billion in financial benefits, primarily from actions agencies and the Congress took in response to our recommendations. Of this amount, about $19 billion resulted from changes to laws or regulations, $12.8 billion resulted from agency actions based on our recommendations to improve services to the public, and $7.7 billion resulted from improvements to core business processes. See figure 1 for examples of our fiscal year 2005 financial benefits.

TABLE 3.—AGENCYWIDE SUMMARY OF ANNUAL MEASURES AND TARGETS

[Dollars in billions]

Performance measures	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Target	2007 Target
Results:							
Financial benefits	$26.4	$37.7	$35.4	$44.0	$39.6	$39.0	$40.0
Other benefits	$799	$906	$1,043	$1,197	$1,409	$1,050	$1,100
Past recommendations implemented (percent)	79	79	82	83	85	80	80
New products with recommendations (percent)	44	53	55	63	63	60	60
Client:							
Testimonies	151	216	189	217	179	210	185
Timeliness (percent)	95	96	97	97	97	98	98
People:							
New hire rate (percent)	N/A	96	98	98	94	97	97
Acceptance rate (percent)	N/A	81	72	72	71	75	75
Retention rate with retirements (percent)	91	91	92	90	90	90	91
Retention rate without retirements (percent)	95	97	96	95	94	94	95
Staff development (percent)	N/A	71	67	70	72	74	75
Staff utilization (percent)	N/A	67	71	72	75	75	78
Leadership (percent)	N/A	75	78	79	80	80	80
Organizational climate (percent)	N/A	67	71	74	76	75	76

Source: GAO.

Note: N/A indicates the information is not available or the target is not applicable.

In fiscal year 2006, we will add two internal operations measures to our list of performance measures on which we report. These measures will help us determine how well our internal operations (1) help employees get their jobs done and (2) improve employees' quality of life in the workplace.

FIGURE 1.—GAO'S SELECTED MAJOR FINANCIAL BENEFITS REPORTED IN FISCAL YEAR 2005

[In millions of dollars]

Description	Amount
Reduced funding for a missile defense system	4.7
In an April 2003 report, we stated that to successfully develop an effective and suitable missile defense system, the Missile Defense Agency must be willing to adopt knowledge-based acquisition practices that have made other developers successful. Our report acknowledged that the agency's development strategy for the Kinetic Energy Interceptor Program included knowledge-based practices, but concluded that the agency had not implemented two important practices: (1) using well-developed technologies during system integration and (2) fully testing a system before fielding it. In response, the Missile Defense Agency is scaling back development of the Kinetic Energy Interceptor Program until technologies are mature. Over a 5-year period—from fiscal years 2005 through 2009—program funding will be reduced by about $5.2 billion, which has a net present value of about $4.7 billion.	
Avoided higher costs associated with a nuclear waste disposal process	4.5
In a June 2003 report, we recommended that DOE pursue legislative clarification from the Congress because of a legal challenge that threatened DOE's ability to proceed with its less costly strategy for treating and disposing of radioactive tank wastes with lower concentrations of radioactivity. DOE estimated that pursuing a more expensive treatment and disposal strategy suitable for wastes with higher concentrations of radioactivity would increase waste treatment disposal costs by $55 billion to $60 billion at its Savannah River Site. The fiscal year 2005 National Defense Authorization Act contained a provision that clarified DOE's authority to follow its planned treatment and disposal strategy, thus avoiding a more costly process. We calculated that the net present value of the cost avoidance for fiscal years 2005 through 2009 was about $4.5 billion.	
Improved the Army's force structure	3.4
In a report examining the Army's force structure, we recommended that the Army establish mission criteria to provide a firmer basis for its Strategic Reserve, Domestic Support, and Homeland Defense force requirements. Such criteria would help to ensure that the Army had the right number and types of soldiers available for these purposes. Rather than request additional end strength, the Army reconfigured its existing force's structure. In April 2003, DOD reported that the Army had included force structure changes in its fiscal year 2004 budget, which supported increased units for military police; military intelligence; special forces; and chemical, civil affairs, and psychological operations. Based on this action, the Army has been able to rebalance its force structure to create needed units with minimal increases in authorized end strength. The amount shown represents the net present value of the force structure changes over a 5-year period (fiscal years 2004 through 2008).	
Reduced the cost of federally subsidized housing projects	2.7
We determined that the Department of Housing and Urban Development (HUD) had not developed the systems it needed to track the status of unexpended balances in its project-based Section 8 housing program and therefore could not use this information to help manage the program and formulate budget requests for it. As a result of our work, the Congress required HUD to better enforce the legislative provisions requiring the recapture of capital funds not being utilized by public housing authorities. In fiscal year 2005, we documented—using HUD data—that a financial benefit of about $2.7 billion in current dollars resulted from HUD's recapture of about $2.5 billion of fiscal year 2003 dollars.	
Avoided costs associated with higher payment rates at skilled nursing homes	2.0
In 2002, we assessed the impact of a 16.6 percent increase in Medicare's daily rate for skilled nursing facilities on nurse staffing ratios. Our analysis showed that nurse staffing ratios changed little from April 1, 2001, through September 30, 2002—the period during which the rate increase was in effect. In fiscal year 2003, the cost to the federal government of reinstating the payment rate increase was approximately $1 billion per year. Since we issued our report, the Congress has considered reinstating the rate increase, but it has chosen not to, largely on the basis of our analysis. The net present value of the annual cost avoidance for fiscal years 2004 and 2005 is $2 billion.	
Increased tax revenues	1.8
We reported that the Internal Revenue Service (IRS) did not have systems or procedures in place to allow it to identify and actively pursue unpaid tax cases that may have some collection potential. Based on our work, IRS has taken action to better assess the potential for collecting unpaid tax assessment cases and has used that information to better target its collection efforts. Specifically, in 2004 IRS began implementing a sophisticated modeling technology to identify productive and less productive cases to ensure that its resources are devoted to cases with a higher likelihood of collection and to help prevent premature suspension of collection efforts. IRS's analysis of the yield on collection cases after employing this modeling in fiscal year 2004 shows that this yield increased by about $1.8 billion (in current year dollars), or 8.4 percent from the previous year (fiscal year 2003), without significant staffing level increases.	
Ensured continued investment in the General Services Administration's (GSA) online purchasing system	1.3

FIGURE 1.—GAO'S SELECTED MAJOR FINANCIAL BENEFITS REPORTED IN FISCAL YEAR 2005—Continued

[In millions of dollars]

Description	Amount
As of 2003, GSA had spent $84 million to develop, implement, and maintain Advantage, a system for ordering products and services online. However, 5 years after the system was launched, only 35 percent of all government-contracted vendors participated in the program, and agencies were largely using the system to compare pricing. To ensure GSA's level of investment matched customer needs, we recommended that the agency develop a business case for a system such as Advantage, and in January 2005, GSA selected a new business strategy that would significantly enhance the system's capabilities to serve as a broker between buyers and suppliers and provide agencies with an automated tool for formulating acquisition requirements and developing requests for quotes. GSA projects over $1.5 billion in financial benefits to result from electronic transactions, spend analysis (analysis of expenditures that shows how money is spent on goods and services), a searchable procurement data repository, and competitive pricing. This financial benefit has a net present value of just over $1.3 billion.	
Reduced Navy and Air Force appropriations	1.3
DOD policy requires the Defense Working Capital Fund to maintain cash levels to cover 7 to 10 days of operational cash and 6 months of capital asset disbursements. Our analysis showed that the January 2004 reported actual cash balance for the Air Force Working Capital Fund exceeded the 10-day cash requirement by about $1.5 billion, and the Navy's Working Capital Fund reported actual cash balance exceeded the budgeted cash balance by $659 million and $408 million at the end of fiscal years 2002 and 2003, respectively. The Congress reduced the Navy and Air Force fiscal year 2005 Operation and Maintenance appropriations by just under $1.3 billion due to excessive cash amounts.	
Eliminated the National Aeronautics and Space Administration's (NASA) Prometheus 1 project	1.1
We issued a report questioning whether NASA had established the initial justification for its investment in the Prometheus 1 project and how the agency planned to ensure that critical nuclear power and propulsion system technologies were sufficiently developed to support deep space probes like the Jupiter Icy Moons Orbiter. We also reported that the approved Prometheus 1 funding profile was inadequate to support the planned mission—a launch to Jupiter's Icy Moons in 2015. NASA has subsequently deferred the Jupiter Icy Moons Orbiter mission indefinitely, reducing the agency's funding needs by about $1.22 billion through fiscal year 2009; the net present value of this reduction is over $1.1 billion.	
Reduced the budget request for a new foreign assistance program	1.0
In March and June 2004, we provided the Congress with information to help it assess the President's $2.5 billion fiscal year 2005 budget request for the Millennium Challenge Account—a new foreign assistance program intended to provide economic assistance to countries that demonstrate a commitment to ruling justly, investing in people, and encouraging economic freedom. Our work provided the Congress with a framework for identifying relationships and trade-offs between funding levels, compact length, and number of compacts (i.e., agreements). Our analysis indicated that by reducing assistance target levels, the length of compacts or both with participating countries, the program could operate at a lower funding level. We also estimated the effect of funding compacts partly from future appropriations. Our work facilitated the Congress's decision to reduce the appropriation for the Millennium Challenge Account in fiscal year 2005 to $1.5 billion.	

Many of the benefits that result from our work cannot be measured in dollar terms. During fiscal year 2005, we recorded a total of 1,409 other benefits. For instance, we documented 75 instances where information we provided to the Congress resulted in statutory or regulatory changes, 595 instances where federal agencies improved services to the public, and 739 instances where agencies improved core business processes or governmentwide reforms were advanced. These actions spanned the full spectrum of national issues, from ensuring the safety of commercial airline passengers to identifying abusive tax shelters. See figure 2 for additional examples of GAO's other benefits in fiscal year 2005.

FIGURE 2.—GAO'S SELECTED OTHER (NONFINANCIAL) BENEFITS REPORTED IN FISCAL YEAR 2005

	Description
OTHER BENEFITS THAT HELPED TO CHANGE LAWS	
Intelligence Reform and Terrorism Prevention Act of 2004 (Pub. L. No. 108–458).	Our work is reflected in this law in different ways. In our May 2004 testimony on the use of biometrics for aviation security, we reported on the need to identify how biometrics will be used to improve aviation security prior to making a decision to design, develop, and implement biometrics. Using information from our statement, the House introduced a bill on July 22, 2004, directing the Transportation Security Administration (TSA) to establish system requirements and performance standards for using biometrics, and establish processes to (1) prevent individuals from using assumed identities to enroll in a biometric system and (2) resolve errors. These provisions were later included in an overall aviation security bill and were eventually included in the Intelligence Reform and Terrorism Prevention Act of 2004, enacted in December 2004. We conducted a body of work assessing the physical screening of airport passengers and their checked baggage. We found that the installation of systems that are in line with airport baggage conveyor systems may result in financial benefits, according to TSA estimates for nine airports. We also found that the effectiveness of the advance passenger screening under the process known as Secure Flight was not certain. TSA agreed to take corrective actions in these areas, and the Congress required TSA in the Intelligence Reform and Terrorism Protection Act to prepare a plan and guidelines for installing in-line baggage screening systems, and enacted measures to promote Secure Flight's development and implementation.
Real ID Act of 2005 (Pub. L. No. 109–13).	We reported on the verification of identity documents for drivers' licenses, noting that visual inspection of key documents lent itself to possible identity fraud. To demonstrate this, our investigators were able to obtain licenses in two states using counterfeit documents and the Social Security numbers of deceased persons. The Congress established federal identification standards for state drivers' licenses and other such documents and mandated third-party verification of identity documents presented to apply for a driver's license.
Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005 (Pub. L. No. 108–375).	We assisted the Congress in crafting major improvements to a program intended to compensate individuals who worked in DOE facilities and developed illnesses related to radiation and hazardous materials exposure. In a 2004 report, we identified features of the originally enacted program that would likely lead to inconsistent benefit outcomes for claimants, in part because the program depended on the varying state workers compensation systems to provide some benefits. We also presented several options for improving the consistency of benefit outcomes and a framework for assessing these options. When the Congress enacted the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005, it revamped this energy employees' benefit program. Among other changes, this law federalized the payment of worker compensation benefits for eligible energy contractor employees and provided a schedule of uniform benefit payments.

FIGURE 2.—GAO'S SELECTED OTHER (NONFINANCIAL) BENEFITS REPORTED IN FISCAL YEAR 2005—Continued

	Description
Federal Lands Recreation Enhancement Act (Pub. L. No. 108–447).	Our work over the past several years has helped the Congress to establish and assess the impacts of the recreational fee demonstration program. Under this trial program, the Congress authorized the National Park Service, the Fish and Wildlife Service, the Bureau of Land Management, and the Forest Service to charge fees to visitors to, among other things, reduce the maintenance backlog at federal parks and historic places and protect these lands from visitor impacts. Since the program's inception in 1996, we have identified issues that needed to be addressed to improve the program's effectiveness that included providing (1) a more permanent source of funds to enhance stability, since the current program had to be reauthorized every 2 years; (2) the participating agencies with greater flexibility in how and where they apply fee revenues; and (3) improvements in interagency coordination in the collection and use of revenue fees to better serve visitors by making the payment of fees more convenient and equitable and reducing visitor confusion about similar or multiple fees being charged at nearby or adjacent federal recreational sites. As a result of this body of work, the Congress addressed these issues by passing the Federal Lands Recreation Enhancement Act in December 2004. This act permits federal land management agencies to continue charging fees at campgrounds, rental cabins, high-impact recreation areas, and day-use sites that have certain facilities. The act also provides for a nationally consistent interagency program, more on-the-ground improvements at recreation sites across the nation, enhanced visitor services, a new national pass for use across interagency federal recreation sites and services, and public involvement in the program.
Consolidated Appropriations Act, 2005 (Pub. L. No. 108–447).	Our work is reflected in this law in different ways. At the time of our August 2003 report, the original 1999 expiration date for the franchise fund pilots operating at the Departments of Commerce, Veterans Affairs, Health and Human Services, the Interior, and the Treasury and at the Environmental Protection Agency had been extended three times. These franchise funds, authorized by the Government Management Reform Act of 1994, are part of a group of 34 intragovernmental revolving funds that were created to provide common administrative support services required by many federal agencies. For example, the Commerce Franchise Fund's business line provides IT infrastructure support services to the agency. We concluded that increasing the period of authorization would help ease concerns of current and potential clients about franchise fund stability and might allow franchise funds to add new business lines, and we suggested that the authorizations be extended for longer periods. The Congress provided permanent authority to the Treasury franchise fund in the Consolidated Appropriations Act, 2005, passed on December 8, 2004. In 2003, we reported that most agencies could not retain the proceeds from the sale of unneeded property and this acted as a disincentive to disposing of unneeded property. We stated in our high-risk report on federal real property that it may make sense to permit agencies to retain proceeds for reinvestment in real property where a need exists. Subsequently, in the Consolidated Appropriations Act, 2005, the Congress authorized the Administrator of GSA to retain the net proceeds from the conveyance of real and related personal property. These proceeds are to be deposited into the Federal Buildings Fund and are to be used as authorized for GSA's real property capital needs. In December 2003, we reported that 184 out of 213 Alaska Native villages are affected, to some extent, by flooding and erosion. However, these villages often have difficulty qualifying for federal assistance to combat their flooding and erosion problems. In our report, we recommended that the Denali Commission adopt a policy to guide investment decisions and project designs in villages affected by flooding and erosion. In this legislation, the Congress provided the Secretary of the Army with the authority to carry out "structural and non-structural projects for storm damage prevention and reduction, coastal erosion, and ice and glacial damage in Alaska, including relocation of affected communities and construction of replacement facilities."

FIGURE 2.—GAO'S SELECTED OTHER (NONFINANCIAL) BENEFITS REPORTED IN FISCAL YEAR 2005—Continued

	Description
Consolidated Appropriations Act, 2005 (Pub. L. No. 108–447).	To improve the federal government's ability to collect billions of dollars of outstanding criminal debt, we recommended in a 2001 report, that the Department of Justice work with other agencies involved in criminal debt collection, including the Administrative Office of the U.S. Courts, the Department of the Treasury (Treasury), and OMB, to develop a strategic plan that would improve interagency processes and coordination with regard to criminal debt collection activities. The conference report that accompanied the Consolidated Appropriations Act, 2005, directed the Attorney General to assemble an interagency task force for the purposes of better managing, accounting for, reporting, and collecting criminal debt.
OTHER BENEFITS THAT HELPED TO IMPROVE SERVICES TO THE PUBLIC	
Encouraged improvements in the process for ensuring states' compliance with education laws for the disabled.	Our report found that the Department of Education's (Education) system for resolving noncompliance with the Individuals with Disabilities in Education Act is protracted. We found that resolution of noncompliance cases often takes several years, in part because Education took a year on average from the time it identified noncompliance to issue a report citing the noncompliance. We therefore recommended that Education improve its system of resolving noncompliance by shortening the amount of time it takes to issue a report of noncompliance and by tracking changes in response times under the new monitoring process. In response to our recommendation, Education has instituted an improved process for managing and tracking the various phases of the monitoring process, which includes the creation of a database to facilitate this tracking. This new tracking system will enable Education to better monitor the status of existing noncompliance, and thus enable the department to take appropriate action when states fail to come into compliance in a timely manner.
Identified a weakness in Medicare's telephone assistance service.	In 2004, we found that the 24-hour 1–800–MEDICARE help line, operated by the Centers for Medicare and Medicaid Services (CMS), did not answer 10 percent of the calls we placed to test its accuracy, often because it automatically transferred some calls to claims administration contractors that were not open for business at the time of the call. This call transfer process prohibited callers from accessing information during nonbusiness hours, even though 1–800–MEDICARE operates 24 hours a day. As a result, we recommended that CMS revise the routing procedures of 1–800–MEDICARE to ensure that calls are not transferred or referred to claims administration contractors' help lines during nonbusiness hours. In response, CMS finished converting its call routing procedures. As a result, calls placed after normal business hours will be routed to the main 1–800–MEDICARE help line for assistance.

FIGURE 2.—GAO'S SELECTED OTHER (NONFINANCIAL) BENEFITS REPORTED IN FISCAL YEAR 2005—Continued

	Description
Highlighted the need for increased security at a federal disease research facility.	United States Department of Agriculture scientists at the Plum Island Animal Disease Center research contagious animal diseases that have been found in other countries. The mission of the facility, now administered by DHS, is to develop strategies for protecting the nation's animal industries and exports from these foreign animal diseases. In our September 2003 report, Combating Bioterrorism: Actions Needed to Improve Security at Plum Island Animal Disease Center, we made several recommendations to improve security at the facility and reduce vulnerability to terrorist attacks. Among other things, we recommended that the Secretary of Homeland Security, in consultation with the Secretary of Agriculture, enhance incident response capability by increasing the size of the guard force. DHS has informed us that this has been completed. According to the Director of Plum Island, DHS has more than doubled the number of guards assigned on each shift on Plum Island.
OTHER BENEFITS THAT HELPED TO PROMOTE SOUND AGENCY AND GOVERNMENTWIDE MANAGEMENT	
Recommended a process to increase the efficiency of DOD procurements.	DOD spending on service contracts approaches $100 billion annually, but DOD's management of services procurement is inefficient and ineffective and the dollars are not always well spent. Many private companies have changed management practices based on analyzing spending patterns and coordinating procurement efforts in order to achieve major savings. We recommended that DOD adopt the effective spend analysis processes used by these leading companies and use technology to automate spend analysis to make it repeatable. In response, DOD is developing new technology to do that. According to DOD and contractor project managers, one phase of the project was completed in December 2004. In March 2005, DOD approved a business case analysis to seek follow-on funding for developing a DOD-wide spend analysis system.
Improved the Air Force's oversight of purchase card transactions.	As part of our audit of Air Force purchase card controls, we identified transactions that Air Force officials acknowledged to be fraudulent as well as potentially fraudulent transactions that the Air Force had not identified. To improve Air Force oversight of purchase card activity and facilitate the identification of systemic weaknesses and deficiencies in existing internal control and the development of additional control activities, we recommended that the Air Force establish an agencywide database of known purchase card fraud cases. In lieu of establishing a separate agencywide database, during fiscal year 2003, the Air Force Office of Special Investigations initiated quarterly reporting on its purchase card investigations to the DOD IG for macro-level analysis of systemic weaknesses in the program. Our ongoing collaboration with the DOD IG on DOD's purchase card program confirmed that the Air Force's Office of Special Investigations is working effectively with DOD's IG on data-mining techniques for detection of potentially improper and fraudulent purchase card transactions. As a result of our work, the Air Force has taken action to reduce the financial risk associated with undetected fraud and abuse in its purchase card program.

FIGURE 2.—GAO'S SELECTED OTHER (NONFINANCIAL) BENEFITS REPORTED IN FISCAL YEAR 2005—Continued

	Description
Encouraged the Census Bureau to produce training materials in other languages.	For the 2000 Census, the United States Census Bureau (Bureau) printed material used to train census workers only in English, except in Puerto Rico where training materials were available in Spanish. However, to better prepare census workers—some of whom speak Spanish as their first language—to locate migrant farm workers and other hard-to-count groups, we recommended that the Bureau consider providing training materials in languages other than English to targeted areas. In response to our recommendation, the Bureau is researching foreign-language data collection methods as part of its preparations for the 2006 Census test and, more generally, plans to identify areas and operations that will require in-language training materials for areas with very large, new migrant populations where it will not be possible to hire bilinguals. Moreover, the Bureau's June 2005 request for proposals for a Field Data Collection Automation System includes a requirement for the contractor to provide training applications and materials in English and Spanish for the handheld computers enumerators are to use to count nonrespondents.

Source: GAO.

One way we measure our effect on improving the government's accountability, operations, and services is by tracking the percentage of recommendations that we made 4 years ago that have since been implemented. At the end of fiscal year 2005, 85 percent of the recommendations we made in fiscal year 2001 had been implemented, primarily by executive branch agencies. Putting these recommendations into practice will generate tangible benefits for the nation over many years.

During fiscal year 2005, experts from our staff testified at 179 congressional hearings covering a wide range of complex issues (see table 4). For example, our senior executives testified on improving the security of nuclear material, federal oversight of mutual funds, and the management and control of DOD's excess property. Over 70 of our testimonies were related to high-risk areas and programs (see table 5).

TABLE 4.—*Selected Testimony Issues, Fiscal Year 2005*

Goal 1: Address Challenges to the Well-Being and Financial Security of the American People

Head Start grants management
Retirement options for seniors
Postal service reform legislation
Wildland fire management
National air traffic system
Providing services to seriously injured veterans
Endangered Species Act
Preparing for influenza pandemic
Long-term health care costs and government budgets
Veterans' disability claims
Medicaid financing issues
Amtrak's Acela train
Rural housing service
Federal oversight of the E-rate program
Overseeing the U.S. food supply
Energy demand in the 21st century
Social Security reform
Meeting the future demand for energy in the United States
Protecting nuclear material handled at science and environmental sites
Federal real property

Goal 2: Respond to Changing Security Threats and the Challenges of Globalization

Army's modular forces
Acquisition challenges facing the Navy's DD(X) destroyer program
Oil for Food program
Managing violations of restricted air space
Protecting U.S. officials overseas from terrorist attacks
Implementing laws that protect the security of information
U.S. passport fraud
Tactical aircraft modernization
Unmanned aerial vehicles
Federal oversight of mutual funds to ensure investor security
DOD's business transformation
DOD's national security personnel system
Cargo security strategies
DOD security clearances
Condition of Coast Guard aircraft and ships used in deep waters
Port security
Transportation security issues
Acquisition challenges facing the Army's future combat systems

Goal 3: Help Transform the Federal Government's Role and How it Does Business

Long-term fiscal issues affecting the federal government
Air Force procurement protests
Space shuttle workforce issues
Management and control of DOD's excess property
High-risk federal programs
Improper Payments Information Act
Gaps in military pay and benefits
Human capital transformation at DHS
Reducing the tax gap
Pricing federal multiple award contracts
Army National Guard travel reimbursement issues
Agencies' continuity of operations plans
21st century challenges for the federal government
Preparing for emergencies at federal agencies
U.S. government financial statements
Performance budgeting
Space acquisitions and investment planning
DHS's Student and Exchange Visitor Information System

GAO'S HIGH-RISK PROGRAM

Issued to coincide with the start of each new Congress, our high-risk update, first used in 1993, has helped Members of the Congress who are responsible for oversight and executive branch officials who are accountable for performance. Our high-risk program focuses on major government programs and operations that need urgent attention or transformation to ensure that our government functions in the most economical, efficient, and effective manner possible. Overall, our high-risk program has served to identify and help resolve a range of serious weaknesses that involve substantial resources and provide critical services to the public. Table 5 details our 2005 high-risk list.

TABLE 5.—GAO'S 2005 HIGH-RISK LIST

2005 high-risk area	Year designated high risk
Addressing challenges in broad-based transformations:	
Strategic Human Capital Management [1]	2001
U.S. Postal Service Transformation Efforts and Long-Term Outlook [1]	2001
Managing Federal Real Property [1]	2003
Protecting the Federal Government's Information Systems and the Nation's Critical Infrastructures	1997
Implementing and Transforming the Department of Homeland Security	2003
Establishing Appropriate and Effective Information-Sharing Mechanisms to Improve Homeland Security	2005
DOD Approach to Business Transformation [1]	2005
DOD Business Systems Modernization	1995
DOD Personnel Security Clearance Program	2005
DOD Support Infrastructure Management	1997
DOD Financial Management	1995
DOD Supply Chain Management (formerly Inventory Management)	1990
DOD Weapon Systems Acquisition	1990
Managing federal contracting more effectively:	
DOD Contract Management	1992
DOE Contract Management	1990
NASA Contract Management	1990
Management of Interagency Contracting	2005
Assessing the efficiency and effectiveness of tax law administration:	
Enforcement of Tax Laws [1] [2]	1990
IRS Business Systems Modernization [3]	1995
Modernizing and safeguarding insurance and benefit programs:	
Modernizing Federal Disability Programs [1]	2003
Pension Benefit Guaranty Corporation Single-Employer Insurance Program [1]	2003
Medicare Program [1]	1990
Medicaid Program [1]	2003
HUD Single-Family Mortgage Insurance and Rental Housing Assistance Programs	1994
Other: Federal Aviation Administration (FAA) Air Traffic Control Modernization	1995

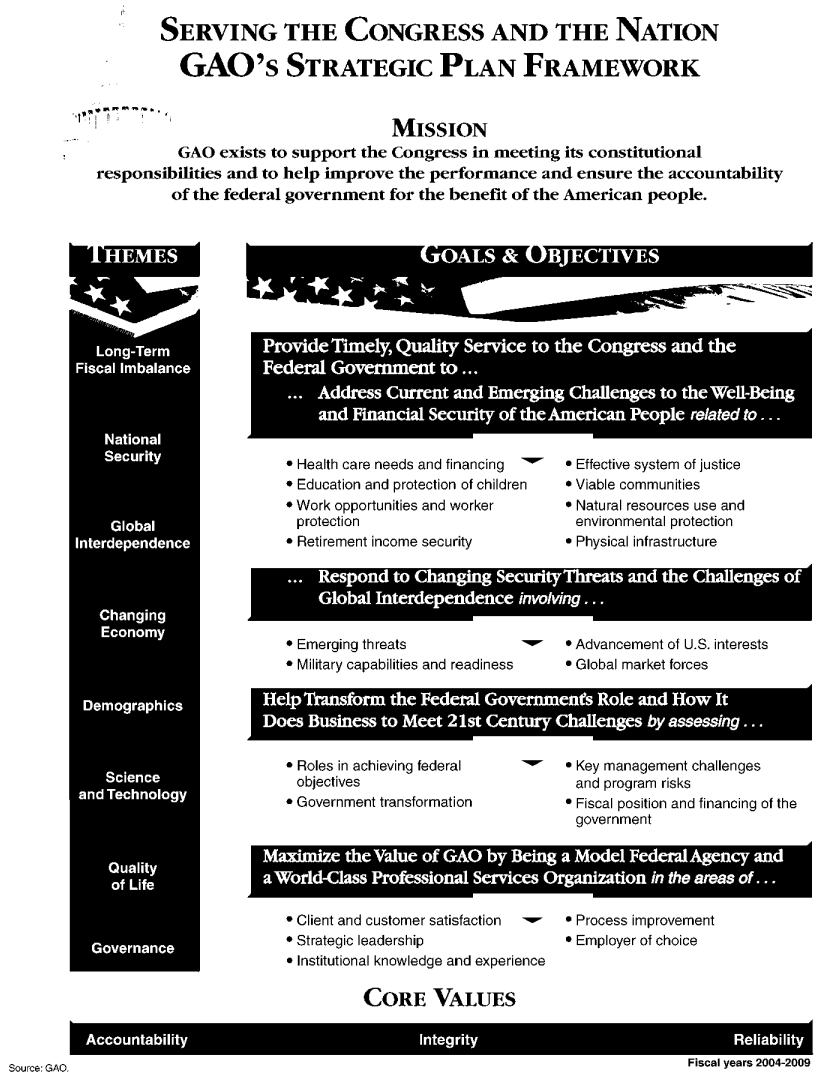
[1] Legislation is likely to be necessary, as a supplement to actions by the executive branch, in order to effectively address this high-risk area.
[2] Two high-risk areas—collection of unpaid taxes and earned income credit noncompliance—have been consolidated to make this area.
[3] The IRS financial management high-risk area has been incorporated in this high-risk area.

Source: GAO.

CONCLUDING REMARKS

We are grateful for the Congress's continued support of our joint effort to improve government and for providing the resources that allow us to be a world-class professional services organization. We are proud of the positive impact we have been able to affect in government over the past year and believe an investment in GAO will continue to yield substantial returns for the Congress and the American people. Our nation will continue to face significant challenges in the years ahead. GAO's expertise and involvement in virtually every facet of government positions us to provide the Congress with the timely, objective, and reliable information it needs to discharge its constitutional responsibilities.

This concludes my statement. I would be pleased to answer any questions the Members of the Committee may have.



COST FOR 50 ADDITIONAL FULL-TIME EQUIVALENTS

Senator ALLARD. Well thank you for your testimony. Total, you're going to have about a $25 million request, which is 5 percent over fiscal year 2006 and we'll look very closely at your request. We've got 50 new employees that are coming on. You have about 3,217 employees now, according to the facts that I have here. Now, we've tried to break that out on the employee costs at $7.5 million. So I was just doing some quick math here. That's $150,000 per em-

ployee. I'm kind of curious. That's not salary. I'm sure there's benefits figured in there, and insurance, and other things, retirement plan, everything else. So I just want to have you verify how it is, that you come up with $150,000.

Mr. WALKER. Sure.

Let me provide an overview, and I'm going to turn to Sallyanne Harper to provide some additional information, Mr. Chairman, with your indulgence.

Senator ALLARD. Okay.

Mr. WALKER. The compensation adjustments are for several things. Number one, to bring us up to our full compliment of 3,217. We've been authorized that for a full FTE level, but we haven't been there in several years. We're now on track to do that and, therefore, to the extent that we do that, we're going to need some money to be able to maintain that next year.

Second, for pay increases. Our policy is, if you're performing at meets expectation or better on all applicable competencies and you're paid within applicable competitive compensation ranges, you're going to get some across-the-board pay adjustment. In addition to that, you're going to get an additional adjustment based on how you do relative to your peers.

Senator ALLARD. So the $7.5 million not only includes the new 50 employees, but also there is some pay increase adjustments figured in.

Mr. WALKER. That's correct, Mr. Chairman.

Senator ALLARD. Okay. So the $150,000 is entirely too generous.

Mr. WALKER. That's correct, Mr. Chairman. And then, we have the 50 employees, not all of which are going to be hired on day one. They'll be hired throughout the year.

Senator ALLARD. Yes.

Mr. WALKER. And depending upon what you finally give us for a budget, it will determine how many we can hire, if we can hire them, and when we can hire them.

CALCULATING THE TOTAL EMPLOYEE COST TO THE GOVERNMENT

But you raise an excellent point, which I would like to reinforce. And that is, we're trying to get our employees to understand more about the concept of total compensation, which you and I have talked about before. It's not just how much you pay in cash, in the form of salary, bonuses, incentive awards, and things of that nature, but it's also how much you receive in the form of healthcare, pension, and other benefits. In our budget, the average load factor that we have to bare directly is about 24 percent, I believe.

However, when you consider the fact that some costs are borne by the Office of Personnel Management (OPM), with regard to things like the Civil Service Retirement System (CSRS) cost, et cetera, the actual load factor is about 31 percent. So for every $1 we pay somebody, they receive compensation of $1.31 because of other benefits that ultimately, the taxpayers have to pay.

But I would ask Sallyanne if she's got anything she wants to add on this.

Ms. HARPER. Mr. Chairman, the only thing that——

Senator ALLARD. So, I just want to clarify, if I might, before we move to the last statement. So, if you pay them a $1, there's one-third of that——

Mr. WALKER. Added——

Senator ALLARD [continuing]. Added on. It would add on as additional benefits. So the $1 that you talk about in actual cash, becomes $1.32 because of the benefits of the employee.

Mr. WALKER. Two points, Mr. Chairman. For our budget, which is before you, the $1 becomes $1.24. For our financial statements, which is important, which is ultimately what the taxpayers have to bear, $1 becomes $1.31.

Senator ALLARD. I see. Okay.

Ms. HARPER. The only addition I would make, Mr. Chairman, is that we do disproportionately hire into the analyst core and that is a higher salary rate in general, than other portions of our budget. So the evaluators, the analysts, and particularly the specialists are going to have a higher initial compensation rate than people in the administrative and professional services community.

Mr. WALKER. It's important, Mr. Chairman, to note for the record, that last year, over 90 percent of the people that we hired as auditors, investigators, analysts, evaluators, and attorneys had advanced degrees from top schools in the country. We are hiring some of the Nation's best and brightest, and it's very, very important that we be able to compensate them appropriately, because we are only as good as our people.

Senator ALLARD. Particularly in what you're trying to accomplish, that's your personnel incentive.

Mr. WALKER. Eighty percent of our budget is personnel cost.

Senator ALLARD. Yes.

Mr. WALKER. And so, if we don't get adequately funded, it starts cutting into the bone pretty quickly.

EARLY RETIREMENTS

Senator ALLARD. Let me move on to early retirements. Would you please explain your criteria for approving voluntary early retirement applications and ensuring that areas where there is a supply and demand imbalance or a recruiting challenge, are not negatively impacted?

Mr. WALKER. Well thank you for the question and let me also thank you and your colleagues for giving us the legislative authority that we needed to make more intelligent decisions in this area.

Basically, several years ago, we sought and the Congress gave us authority to be able to target early retirement offers to a greater extent, than previously was the case; you also gave us the authority to say no. Basically, we're trying to use early retirement offers to help realign GAO's workforce, to be able to reallocate resources from areas where we have more supply than demand, to areas where we have more demand than supply. We're also trying to use it to try to help with succession planning. Because as you probably recall, Mr. Chairman, before I came to GAO, we had a hiring freeze for about 5 years. We were downsized 40 percent. And so, we had a real gap in our development pipeline and a very high and increasing percentage of people that were going to be eligible for retirement.

The bottom line is anybody can come forward and seek early retirement. But whether or not they're going to be approved, is based upon what we need from a workforce standpoint to meet our client demands, and we also consider the performance of the individual. We're not looking to lose people in areas where we have supply and demand imbalances and ones that are top performers. We're looking to try to use this as a strategic workforce realignment tool.

Most people that come forward are approved, but not all.

GOVERNMENT ACCOUNTABILITY OFFICE'S MARKET-BASED PAY SYSTEM

Senator ALLARD. Okay. Now let's go to your GAO pay system. You've gone into it in some detail already. What are the major objectives of your market-based pay system and how would you assess your success in meeting those objectives?

Mr. WALKER. There are a number of objectives, Mr. Chairman. Number one, the overall objective is that we want to be able to attract, retain, motivate, and reward a top flight workforce. Compensation is one element to do that, but it's only one. As you know, Mr. Chairman, those of us—yourself, myself, all of us here included, don't come into Government to maximize our net worth. We come into Government to maximize our abilities and to make a difference. And it's not just about the money, it's also about the difference that you can make in the lives of others.

But we need to be competitive with those organizations that we actually compete for talent. Whether that be the Office of Management and Budget (OMB), whether that be the Congressional Budget Office (CBO), whether that be the think tanks, or whether that be the major accounting firms, whom we actually compete with for talent, based upon hiring and to whom we lose people. So we wanted to make sure that we achieve that objective. We also wanted to make sure that we were targeting our limited resources. Because, we have limited resources. Therefore, we are targeting money to where the market requires it and where performance supports it. We want to target our dollars based on skills, knowledge, and performance.

And so my view is, by conducting our first ever competitive compensation study in the history of GAO, which was created in 1921, we are now in a much better position to provide reasonable assurance that we are paying competitively and allocating our dollars more intelligently. I think that's not only in our interest, it's in the Congress' and the country's interest.

Senator ALLARD. Yes. I applaud you for those efforts in that area. They're not unique in the private sector, but certainly unique on the Government's sector.

CHANGES TO THE GOVERNMENT ACCOUNTABILITY OFFICE'S PAY SYSTEM IN THE PAST YEAR

Now, what changes in the pay system have occurred in the last year? Anything specific that you want to highlight for us?

Mr. WALKER. The biggest changes that have occurred in the last year, and when I say the last year, I'm including this current fiscal year.

Senator ALLARD. Yes.

Mr. WALKER. We now have implemented the new market-based compensation ranges. That's number one. Number two, we have also implemented a new system for determining annual pay adjustments for all of our personnel. And number three, the effects of the restructuring that I mentioned before, the so-called Band II level personnel, that has taken place. Let me briefly touch on that, as you know, under the old system of compensation in Government, everybody had the right to be paid at the pay cap, irrespective of their performance. It was an entitlement. It wasn't a matter of if somebody was going to make the pay cap, it was only a matter of when they were going to make the pay cap. Because until we received an exemption from the Congress, we had to give the across-the-board pay adjustment that the executive branch had to give every year to all employees, irrespective of their performance. And believe it or not, on the executive branch side, even unacceptable performers are by law, entitled to that adjustment, which I would respectfully suggest Congress may want to reconsider. Now, there's not very many GAO employees in that category, okay? But intellectually it makes no sense.

So we have implemented new competitive compensation ranges. There were pluses and minuses to that. There were some of our occupations and some levels, where we've raised our pay ranges, both the cap as well as the minimum, are subject to statutory limits. As you know, we can't pay what we call a Band III, which is an assistant director, more than a GS–15, step 10 level. And so, that's a constraint.

But below that, it's market based and everybody has the opportunity to make the pay cap, but not necessarily the right. For the higher levels you have to perform in excess of certain levels in order to be in top end of the pay range. The reason is, because there is an overlap with the next level of responsibility. Our philosophy is that you can justify paying people at a lower level, who are really strong performers as much as people as the next level, but you can't justify paying below average performers, at a lower level of responsibility, more money than somebody at the next level, who might be a higher performer would be paid.

Senator ALLARD. Yes.

BAND II RESTRUCTURING

Mr. WALKER. Now, the most challenging aspect of this, Mr. Chairman, has to do with this Band II restructuring. And I'll give you a few stats to bring it to life. We had 1,238 Band II's when we started this process. That's out of about 3,200 employees. So you can see, that's the largest component of our workforce. When we received the results of the competitive compensation study, we had to make the decision on which one of those 1,238 should be put in the higher pay range, which gives them a chance to make up to $10,000 more, and which ones should not. In some cases, individuals may be making more than they should be making, based upon the market ranges. We had an extensive process that resulted in everybody being able to apply. Of the 1,238, 794 applied, 757 were deemed eligible, 409 were initially placed into the higher Band IIB range. Seventy-eight of the ones who were not originally placed, appealed directly to me. I placed 19 of the 78 into Band IIB. In addi-

tion, five, who didn't even appeal to me, were placed into Band IIB because I modified the relative performance criteria. Therefore, some individuals benefited from that change, even through they did not appeal.

So in summary, 433 or 35 percent of all our Band II's, were placed in the higher pay range. There are 236 people who, when we made the decisions based upon their roles, responsibility, relative performance, and potential, did not justify being placed into the higher pay range, but were already getting paid in the higher pay range. So they were making in excess of competitive compensation levels. For those people, we did not cut anybody's pay, because they played by the rules. It wouldn't be right. It wouldn't be fair.

At the same time, if they were already paid in excess of competitive compensation levels, we didn't give them the automatic across-the-board adjustments because they were already paid in excess of competition compensation levels. But we did give them the right to make additional pay increases, based on their performance. And a vast majority did get some pay increase even if they didn't get the across-the-board adjustment. They will, if they end up getting moved to the next level, or as pay ranges change over time. So that's where we are. And I apologize, that took a little bit of time, but it's a fairly complicated matter.

EMPLOYEE PERCEPTION OF NEW PAY SYSTEM

Senator ALLARD. Okay. I want to follow up a little more on that. What is the morale, after you've implemented that system, among the employees?

Mr. WALKER. We do an annual confidential electronic employee feedback survey, which we'll do in July and that will give us more concrete information on morale. I will give you my opinion, based upon extensive interaction with our employees, talking to our managing directors, talking to our Employee Advisory Council, meeting with our employees, and answering their questions.

My view is that there is no easy way to tell somebody that their pay is in excess of competitive compensation levels. There's no easy way to tell somebody that you are not going to continue to receive across-the-board adjustments that you've been receiving year, after year, after year. All right. And so my view is that there is a significant percentage of those individuals who were not placed into the higher pay range, that are disappointed, and I'm sure that that's had some impact on their "morale."

At the same point in time, we've taken several steps to try to mitigate any adverse morale impact. First, rather than only allowing for competitive placements from the so-called lower IIA pay range to the higher IIB pay range, once a year, we're going to have a second competitive placement process that will be effective near the end of June. We've erred on the side of generosity in allocating the number of competiting positions, so that more people will have an opportunity to make it. We're going to do another competitive process next January. So basically, that means within a 12-month period of time, we will have had three placement cycles, and then we'll move to an annual cycle after that.

My view is that while a significant percentage of the people who did not get placed into IIB and my understanding is that there

were 345 people out of 3,200 roughly, who did not receive an across-the-board increase, because of this factor or because they were otherwise paid in excess competitive compensation levels.

Obviously, a significant percentage of those people aren't happy with the result. But that's a subset of our workforce. That's only about 11 percent of our workforce. I feel confident that not only was it the right thing to do, but it was necessary to do especially given tight budgets.

The other thing that we did to try to ease the pain which, as I said before, was not to cut anybody's pay. In addition we told every Band II employee who was onboard in January, that they would have the opportunity to earn up to what they could've earned under the old system, which in Washington, is almost $119,000 a year in cash compensation only, with benefits added on top of that. They will have that opportunity to earn that but at a slower rate than they could have under the old system. So we're preserving their ability to make what they could have under the old system at a slower rate, but we're providing them an opportunity to make more money if their skills, knowledge, roles, responsibility, and performance justify. Over the long term, this will clearly be a plus. In the short term, sometimes you have to have short-term pain to get long-term gain. And that's where we're at.

Senator ALLARD. Well, we had a communication from one employee here, who felt that somehow or the other, he'd been promised that he was automatically going to get this annual increase and this particular year, it would have been a 2.6-percent increase. Do you have any response to that?

Mr. WALKER. Well without knowing the facts, I can say this, I never committed, nor would I ever commit to pay an across-the-board pay increase to an individual who's paid in excess of competitive compensation levels. I never committed to that, nor would I commit to that.

POTENTIAL FOR GOVERNMENT-WIDE USE OF MARKET-BASED PAY

Senator ALLARD. Okay. Would you recommend this pay system be used Government-wide, at this point in time?

Mr. WALKER. I believe there are several aspects of what we've done, that have potential merit for broad-based application throughout Government. Although each workforce is different, and therefore you need to make some changes. For example, I believe that individuals who perform at a meets expectation level or better, who are paid within competitive compensation ranges, should, at a minimum, receive some pay adjustment, based upon how the pay ranges change each year.

In addition to that, I believe that any additional pay adjustment that people receive should be based on how they perform relative to their peer group. So that means, if you do like we do, where we set the bar high on expected performance and if you hit that bar for meets expectations, you're going to get something. But how much extra you're going to get, depends upon how you compare to your peer group, with the top performers getting more money than people who are good performers, but not top performers.

I think that framework has a great deal of intellectual merit, and when I've gone around speaking to executives and others at other

agencies, they have found that it is a possible bridge from a system where 85 percent of the pay was on auto pilot and 15 percent was merit based, to one where everything relates to merit, but you're going to get something, as long as you're a solid performer. But how much more you'll get, depends upon how you do relative to your peers.

LESSONS LEARNED IN IMPLEMENTING MARKET-BASED PAY

The other thing that I think makes sense is you've got to do market-based compensation studies. Most agencies in Government have never done that. When you end up going to broad banding, you really need to make sure you make solid decisions on how many bands you set up, based upon roles and responsibilities. We made two mistakes in 1989. Hindsight is always 20/20.

Senator ALLARD. Well, you learn.

Mr. WALKER. Yes. We made mistakes in 1989. Number one, we combined two GS levels into one pay band that we shouldn't have, because they were different roles of responsibility. That caused us to have to do this Band II restructuring, because it was clear that we had people with different roles and responsibilities. Second, the agency assumed that the GS pay ranges were reflective of the market.

Now they may or may not have been in 1989, but they're surely not today. So when agencies are moving forward, they have to be careful on how many pay bands they set up, based upon meaningful differences in roles and responsibilities. Then, they need to conduct competitive compensation studies to decide what the pay ranges ought to be for those bands.

The last thing that I would say that's relevant, is that it's okay to have overlaps in pay ranges. It's okay from somebody in a lower level to have the opportunity to make as much or more than the lower end of the pay range at the next level. But in my view, the only people that you can justify doing that for, are very strong performers. That shouldn't be an entitlement. Because otherwise, you don't get equal pay for work of equal value, over time. And that's one of our objectives too, though I didn't mention it before, that I think is an important principle.

STAFFING UP TO REDUCE BACKLOGS

Senator ALLARD. Last year, you talked about your single biggest backlog was in the area of healthcare. Have you fully staffed that area, now?

Mr. WALKER. I would ask Gene Dodaro to look at some data. We clearly still have a backlog in the healthcare area. But I would footnote before Gene gets into the area, the backlog we're going to talk to you about, is engagements that we've accepted. And one has to use a note of caution, because there could be demand on the Hill that we haven't received yet and have not accepted yet. In some cases, people don't send us things because they already know that we have a backlog. So with that footnote, I would ask Gene to give you the backlog statistics.

Senator ALLARD. Gene.

Mr. DODARO. Mr. Chairman, we've begun addressing the backlog issue in healthcare and have made a little progress, but not much.

Basically what's occurring there, because of large growth in healthcare expenditures and the interest in healthcare, particularly with the addition of the prescription drug benefit in Medicare part D, the requests and mandates from Congress just keep coming in at a fast pace. And there's also more interest now in how FDA handles drug safety issues. There's more interest in bioterrorism concerns and public health preparedness and readiness. So the range of issues just keeps growing, both in the Medicare program, as well as the Medicaid program, in public health, and in the regulatory structure. So we don't believe we can make much more progress unless we add additional people.

We've also reinforced a process that we've had in place for a number of years now, to look at potential mandates. When Congress introduces a bill, there's often a requirement for a GAO study in there and so, we try to talk to the people once the bills are introduced. If it's something that may not fall within our scope of our responsibility, or be something that we've already addressed we try to deal with it.

The other big backlog area has been in homeland security. And of course following September 11, 2001, a lot of concerns about the areas that the Department of Homeland Security is addressing. And then, came Hurricanes Katrina and Rita, et cetera. And a lot of concern has, as everybody knows, emerged about the Federal Government's response in that area. And so that has occurred in addition to the continuing concerns about air transportation, railroad security, port security, and all the other issues that have been addressed. So that's been layered on top and is causing an additional backlog in that area, as well.

Ms. HARPER. Mr. Chairman, to address the second——

Senator ALLARD. Ms. Harper.

Ms. HARPER [continuing]. Part of your question, healthcare is on track to be fully staffed. Their hiring is going very well this year, so their staff should be fully onboard as we come toward the end of the fiscal year.

Mr. WALKER. And the third area, Mr. Chairman, where there's a big backlog, is natural resources and the environment, for fairly obvious reasons and yourself being from the West, you can appreciate some of those issues.

COMPARATIVE ANALYSIS OF THE GOVERNMENT ACCOUNTABILITY OFFICE'S SUPPLY-DEMAND IMBALANCE

Senator ALLARD. Yes. Okay. I'd like to have you provide, unless you already have it with you, a comparative analysis of GAO's current supply and demand imbalance between staff capacity and job demands of the last 5 and 10 years. Can we do that with current figures?

Mr. WALKER. We'll be happy to provide data for the record, Mr. Chairman.

[The information follows:]

Question. For each of GAO's 13 mission areas, please compare changes in the supply/demand imbalance between staff capacity and job demands for fiscal years 2006, 2001, and 1996. How does GAO measure supply and demand as it relates to this issue? What criteria does GAO use to identify backlogs?

Answer. As of the end of March 2006, GAO had 374 requests from Congress that had not yet been started (defined as the imbalance between supply and demand).

This compares to the 361 requests pending at the end of fiscal year 2001 and 349 requests pending at the close of fiscal year 1996.

Pending requests include those (1) assigned to teams but still awaiting screening at GAO's weekly Engagement Acceptance Meeting, (2) approved at the EAM to start but not yet begun, and (3) awaiting staff. It does not include work that is contingent on a future due date or event.

The following table shows the number of pending requests for each of GAO's 13 mission teams as of the end of March 2006 and the end of fiscal year 2001. GAO's mission teams were organized by the current Comptroller General beginning in fiscal year 2001, so information on their pending requests in 1996 does not exist.

PENDING REQUESTS BY MISSION TEAM

Current Team	2001 [1]	2006
Acquisition and Sourcing Management (ASM)	23	37
Applied Research and Methods (ARM)	3	3
Defense Capabilities and Management (DCM)	8	21
Education, Workforce, and Income Security (EWIS)	18	23
Financial Management and Assurance (FMA)	1	44
Financial Markets and Community Investment (FMCI)	15	13
Health Care (HC)	84	82
Homeland Security and Justice (HSJ)	NA	45
International Affairs and Trade (TAT)	7	12
Information Technology (IT)	17	12
Natural Resources and Environment (NRE)	59	54
Physical Infrastructure (PI)	38	22
Strategic Issues (SI)	12	6

[1] Tax Administration and Justice (TAJ) had 69 pending requests at the end of fiscal year 2001 and the Office of Special Investigations (OSI) had 7. TM was merged mainly into HSJ and SI and OSI was merged mainly with FMA and the Office of General Counsel.

GOVERNMENT ACCOUNTABILITY OFFICE'S HIGH RISK LIST

Senator ALLARD. Another area I wanted to cover before we bring things to a close is your high risk list. Can you give us a rating of how effective that program might be?

Mr. WALKER. Well Mr. Chairman, thank you for asking that question. It's a very timely question. I have to give credit to my predecessor, Chuck Bowsher and the individuals who were at GAO in the early 1990's for creating the high risk list. It's been public since around about 1992. Since I've been Comptroller General, I've tried to work with our GAO executives and others, to make it a much more strategic list. Not just focused on fraud, waste, abuse, and mismanagement which will never be zero, but also to address major transformation challenges facing the Federal Government and to take a more strategic approach.

I'm pleased to say, that a very high percentage of our hearings and a very high percentage of our financial benefits and other accomplishments, are directly related to the high risk list. The Congress is focusing on the high risk list for the most part. GAO continues to focus on it. The administration is now working with us to create action plans for every high risk area. As you know, the President's management agenda is based, in large part, on GAO's high risk list and that is not an accident.

Furthermore, GAO's high risk program is being emulated in other countries, in other States, and localities and is now on the short list for an Innovations in Government Award from Harvard. Whether or not we'll be selected, we've made the short list. This program is making a difference, and I think it's an example of when you're dealing with an entity that's as vast as the Federal Government and when you've got limited resources, you need to fig-

ure out some way to target. We can target, the Congress can target, the agencies can target whatever resources and authorities they have, to have the most impact. This has clearly been a valuable tool in getting that done.

I don't know if Gene has anything.

HISTORY AND IMPORTANCE OF THE GOVERNMENT ACCOUNTABILITY OFFICE'S HIGH RISK LIST

Mr. DODARO. Mr. Chairman, I've been involved in the program since it was created back in 1990 and I can tell you, it has tremendous value over time in sustaining attention between administrations and with changes in the Congress. A lot of these problems require sustained attention over time. And even for some of them, the areas that are still on the high risk list, even though they have not been taken off yet, there's been a lot of progress made because of this sustained attention. Medicare, for example, now has a means to measure the level of improper payments that they're sending out. That didn't exist when we put them on the list back in 1990 and that's enabling them to measure the degree of progress that they're making and target corrective actions.

Tax enforcement, the latest measure of the tax gap had occurred back in 1988 and because that area has been on the high risk list, there has been a new estimate made of the tax gap, which is about $300 billion. In the Department of Energy (DOE) area for example, on contracting, since we've put that on the list, even though they're not taking off yet, they're now competing contracts, where they had not been before and other progress has been made.

So it's a very, very effective means and I could tell you, when Dave and I have met with heads of agencies, nobody really wants to be on the list and they're making concerted progress to get off. And they see the benefits of also being on the list, to get attention to their area.

Mr. WALKER. But let me footnote, Mr. Chairman, in addition to everything that Gene said, by taking a much more strategic and transformational approach to the high risk list, I must say, that I have actually received two telephone calls from heads of agencies, thanking us for putting them on the high risk list. And let me tell you why. Because one of the things that we've also done, is we've noted which items on the high risk list not only require action by the executive branch, but also require action by the Congress. And when you look at that high risk list, anything that has an asterisk, means that both branches of Government have to be involved to create a more positive future. In many cases, by putting an item on the high risk list, that provides attention and additional momentum for changes not just within the executive branch, but also within the legislative branch. One example of that, is a topic that you talked about earlier, namely human capital reform. We put that on our high risk list in January 2000. There's been more done administratively and legislatively in the human capital area since January 2000, than the 20 years prior to that. Therefore, it can make a difference. It is making a difference.

CRITERIA FOR COMING ON AND OFF THE GOVERNMENT ACCOUNTABILITY OFFICE'S HIGH RISK LIST

Senator ALLARD. Let me serve the role of a devil's advocate, we have two that have been on there—DOE and the National Aeronautics and Space Administration (NASA) contract management. They've been on there forever. And there hasn't seemed to be any improvement. Doesn't that diminish the effectiveness of your program?

Mr. WALKER. Well we've had a number that have come off over the years and we've had some that have come on over the years. I can assure you, that people don't come off until they earn coming off.

The other thing that is different here is that within 1 year of my coming on board, one of the things that we did working with GAO's executives and also providing an opportunity for comments from the Congress and the executive branch, we came up with clearly defined, transparent, and consistently applied criteria for what it took to go on the list and what it took to come off the list. This has helped tremendously.

And the last thing I would say is this, the current administration is taking the high risk list seriously, as evidenced by the fact that they're working with us and the agencies to try to develop a specific action plan for each item to eventually get off the list. In some cases, it took years for people to get where they are, and it's going to take years to get off.

The most prominent example, Mr. Chairman, is that the Defense Department has 8 of 25 high risk areas individually and shares all 6 of the Government-wide areas. So it has 14 of 25. And in many cases, Mr. Chairman, it's not just because it's going to take a long time to deal with it and there needs to be more attention in the executive branch, it's because there needs to be more attention paid in the legislative branch. There needs to be more accountability than there has been, in many regards.

Senator ALLARD. Have we ever had any legislative agencies on this list?

Mr. WALKER. This list has been geared toward the executive branch, which is an overwhelming percentage of Federal revenues and expenditures. And as you might imagine, Mr. Chairman, that raises certain sensitivity issues, since we are a sister agency to other legislative branch agencies.

Senator ALLARD. Just a thought I had. Okay. Before concluding the hearing, I would like to thank your staff for the exceptional work that they do to support this subcommittee. And in particular, Bernard Ungar and Terrell Dorn have been steadfast in their commitment to support our oversight of the Capitol Visitor Center.

In addition, Gloria Jarmon and many of your other staff provide outstanding advice and guidance to the subcommittee routinely and we appreciate their efforts.

ADDITIONAL COMMITTEE QUESTIONS

There will be some additional questions that will be submitted to your agency for response in the record.

[The following questions were not asked at the hearing, but were submitted to the Office for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR WAYNE ALLARD

Question. GAO's budget requests 50 additional full-time equivalent employees. What is the full-year cost for the additional FTEs, and why isn't this cost made clear in the budget justification?

Answer. The full-year cost for 50 full-time equivalent (FTE) staff is about $5.8 million using an average annual salary of $116,362 including benefits. Our workforce plan projects that we will end fiscal year 2006 with an onboard strength of 3,350 staff. This staffing level will position GAO to utilize 3,217 FTEs in fiscal year 2006 and 3,267 FTEs in fiscal year 2007.

The cost to support these staff in fiscal year 2007, assuming no other staffing changes, is included in the budget request as part of estimated annualization costs. The annualization cost represents the difference between the estimated costs to be paid in fiscal year 2006 and fiscal year 2007. The annualization cost has been reduced by expected savings from leave-without-pay and part-time schedules, and includes the cost to maintain our student intern and knowledge transfer programs. The intern program has been an effective recruitment tool for permanent hires, especially in our specialized areas of accounting and financial management. The knowledge transfer program is a vital tool in our succession planning strategy to help ensure continuity of operations.

Question. Given that GAO's budget was cut below the request in fiscal year 2006, how has the agency managed to maintain the fully authorized level of FTEs?

Answer. We expect to be able to maintain 3,217 FTEs in fiscal year 2006 primarily due to lower average compensation costs than estimated. We estimate our actual fiscal year 2006 compensation costs will be lower than we estimated in January 2005 at the time our budget request was prepared, primarily due to: (1) a lower on-board strength at the beginning of fiscal year 2006 than assumed in our budget request; and (2) institution of our new compensation program which is market-based and more performance-oriented that will result in somewhat lower average salary growth than originally expected.

Question. Given GAO is requesting 50 additional employees, why is there a need for $500,000 in additional costs for contract services?

Answer. Based on our current assessment of trends in engagements and audits, we anticipate an increasing demand for technical expertise. We expect to continue to rely on external experts and advisors in disciplines related to our work in physical infrastructure, education, pension simulations, health care, natural resources, economic analyses, and survey assistance. Contract services support congressional engagements by providing specialized, expert advice and assistance not readily available from GAO staff and not necessarily needed on a recurring basis. Contract services are also used when certain kinds of expertise are needed within a compressed time-frame to meet congressional needs for particular engagements, projects, or audits. For example, we plan to use contract services to provide expertise on a congressional request related to utility tunnels.

Examples of contract services can range from expert advice on specific issues to an analysis of a particular program. We have found that contracts—such as with the National Academies—provide an efficient, flexible vehicle to obtain technical assistance and expertise in highly specialized areas. We have used the expertise of the National Academies in such areas as: information on trends in printing and dissemination, technologies to protect structures from wildfires, environmental indicators, air traffic control modernization and privatization, vulnerabilities of federal lands to climate changes, and the Capitol Visitor Center.

Question. GAO's budget includes $3.894 million in "relatively controllable costs" associated with information technology. Please provide a breakout of the projects and activities that comprise the $3.894 million estimate, and the projected impact of not funding each of these items.

Answer. In preparing our fiscal year 2007 budget request, we vigorously scrubbed our requirements and limited the items included in our request to selected, targeted initiatives that we believe are essential to our ability to maintain our effectiveness and productivity. These initiatives primarily relate to (1) enhancing critical business systems and (2) addressing security requirements resulting from recent federal guidance. If funding is not directly provided for the requested initiatives, we may need to consider delaying these improvements which will only result in increased cost over time due to future price level increases. Alternatively, we may need to consider our staffing levels in fiscal year 2007 in order to ensure that we could pursue these initiatives. The following table provides additional information on the requested in-

creases for Information Technology activities and the impact of not funding these items.

FISCAL YEAR 2007 INCREASES REQUESTED FOR INFORMATION TECHNOLOGY ACTIVITIES

[In thousands of dollars]

Activity	Amount
Replace GAO's financial management system	1,400
GAO's financial management system needs to be replaced now and is a priority effort over the next 2 years. Our financial management system is antiquated, is no longer supported by the vendor, fails to meet current business system requirements, and is in danger of failing. If the system is not replaced expeditiously, we run the risk of being unable to (1) effectively operate our financial management system, (2) produce auditable financial statements, and (3) meet internal control standards without extensive manual intervention and support.	
In fiscal year 2006, we plan to select a government cross-service provider and begin a phased implementation in fiscal year 2007. The replacement financial management system will provide integrated budgeting, purchasing, and accounting functionality while enhancing the information available to program managers, and allow us to meet our goal of being a model agency.	
Enhance the Engagement Management and Job Information Systems	425
In fiscal years 2006 and 2007, we plan to continue the redesign of the Engagement Management System and Job Information Systems. With the integration of existing systems such as the Congressional Contact System and Staffing Information System into the Engagement Management System, the new system will provide a more robust management tool which will allow one information source and access point for planning, staffing, and management of GAO's evaluation work. Currently, GAO maintains multiple systems with similar data, requiring managers to enter redundant data into multiple databases, reconcile information to ensure its accuracy, and access multiple systems to obtain information needed to manage and conduct congressional engagements.	
Improve IT security and systems	2,069
In fiscal year 2006, GAO will relocate its alternate computing facility for disaster recovery and continuity of operations from a commercial site to one that is shared with other legislative branch agencies. In fiscal years 2006 and 2007, we will continue to implement security features to identify and stop potential hackers and improve the overall security of the agency's information and technology assets.	
In fiscal year 2007, we will initiate the transition to Internet Protocol version 6 (IPv6) to comply with federal guidance and policy to implement IPv6 by fiscal year 2008. This will require the upgrade of numerous infrastructure devices and GAO applications to ensure interoperability and IT security.	
With the completion of installing SIPRNet—DOD's Internet for sharing data classified up to the secret level—in the field offices, our efforts will shift to installing access to DOD's Non-classified Internet Protocol Router Network system, NIPRNet, in fiscal year 2007. Electronic access to DOD's systems allows staff to obtain information needed to complete engagements without incurring travel costs.	
In addition, we will build upon our design of the Hurricane Central Portal to create portals that will provide a single access point to enterprise information resources, tools, and common applications within the GAO network. These portals will facilitate timely and effective staff research and access to data needed to respond to congressional inquiries. The initial focus will be a portal for the core business and analyst communities.	
Total	3,894

Question. GAO's budget proposes $3.819 million in "relatively controllable costs" associated with building management. Please provide a breakout of this requested increase, and the impact of not funding these items.

Answer. In preparing our fiscal year 2007 budget request, we vigorously scrubbed our requirements and limited the items included in our request to selected, targeted initiatives that we believe are essential to our ability to maintain our effectiveness and productivity. These initiatives primarily relate to (1) cyclical maintenance identified in our 2005 GAO Building Condition Assessment Report, and (2) security requirements resulting from recent federal guidance. If funding is not directly provided for the requested initiatives, we may need to consider delaying these improvements which will only result in increased cost over time due to future price level increases. Alternatively, we may need to consider our staffing levels in fiscal year 2007 in order to ensure that we could pursue these initiatives. The following table provides additional information on the requested increases for Building Management activities and the impact of not funding these items.

FISCAL YEAR 2007 INCREASE REQUESTED FOR BUILDING MANAGEMENT ACTIVITIES

[In thousands of dollars]

Activity	Amount
GAO Building Maintenance and Repair	922
In fiscal years 2006 and 2007, we plan to undertake several maintenance and repair projects identified in our 2005 Building Condition Assessment report. In fiscal year 2007, we plan to continue upgrades to the heating, ventilation, and air-conditioning systems, replace the cooling towers, upgrade the handicapped lift, and perform cyclical maintenance on the building elevators. In order to ensure the safety of GAO staff, we could not defer critical elements, such as elevator upgrades.	
Increase Security For Incoming Mail And Packages	400
We plan to relocate and consolidate our mail and package receiving facilities to help ensure the safety and security of GAO staff and assets in the event of the receipt of hazardous materials.	
Upgrade Contract Security Force	610
In fiscal year 2005, we restructured the contract for the security force to upgrade the qualifications for the security force to Special Police Officers, gradually replacing GSA guards. The restructuring will help ensure a more professional, secure environment. In fiscal year 2006, we completed the restructuring of the security force and have attained full staffing with special police officers. The requested increase represents the annualized cost of making the transition from GSA guards to special police officers. If the requested funding is not available, we would be required to reduce the number of officers that we could support and determine other ways to help mitigate the potential risks to GAO staff and assets.	
Integrated Electronic Security System (IESS)	1,225
We plan to implement an IESS at GAO headquarters in fiscal year 2006 and expand the system to the field offices in fiscal year 2007. The IESS will allow GAO to integrate headquarters and field office access control, surveillance, and alarm systems and provide the ability to monitor field activity from a console in the headquarters Command Control Center. We anticipate some savings will result from integrating the field offices and headquarters control systems and less reliance on the Federal Protective Service (FPS) in the field. The integrated system will allow GAO to comply with Homeland Security Presidential Directive 12 (HSPD 12) which sets forth requirements for using government-issued identification, Smart Cards, to permit access to federal agencies.	
Security Investigations	197
In fiscal year 2006, we will start conducting higher-level investigations on contractors and interns to meet the requirements of HSPD 12 for the issuance of government identification to allow access to federal facilities. In addition, in fiscal year 2007, a significant number of staff are due for cyclical updates of their security clearance which is required to gain access to needed information and facilities.	
Upgrade Tax Rooms	225
We plan to assess secure space in the field offices and implement changes needed to comply with Internal Revenue Service guidelines for storing tax returns and other sensitive information.	
Design For Library & 7th Floor	240
We plan to redesign the physical layout of our library facility to (1) reconfigure space to improve work collaboration as we reduce our physical collection and migrate to greater use of electronic resources, and (2) design additional workspace to accommodate displaced GAO staff when the GAO Building is used as an alternate facility for congressional staff.	
Total	3,819

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. How many GAO staff did not perform at a satisfactory level (meets expectations or better rating) in 2005 and were thus ineligible for purchase power protection?

Answer. Only 8 staff did not perform at a meets expectation level or better and therefore did not receive an annual adjustment. In addition, 19 staff did not meet the relative performance requirements for satisfactory performance and therefore did not receive an annual adjustment.

Question. What happened to these individuals?

Answer. The 8 employees whose performance was not at a meets expectations level or better did not receive the annual adjustment or any other salary increases or performance bonuses. The remaining 19 employees did not receive the annual adjustment, but were assessed for performance based compensation and were eligible to receive a performance bonus.

Question. Were the affected employees aware of the reasons for being denied their COLA's?

Answer. Yes. GAO has implemented a market-based and performance-oriented compensation system and does not provide an across-the-board increase to all em-

ployees regardless of their performance, roles and responsibilities or salary in relation to the market. Our annual adjustment reflects changes in the cost of labor and is one component of an employee's compensation. As noted above, some employees were ineligible for this adjustment due to their performance.

Employees who didn't receive adjustments due to "below expectations" ratings were made aware that their appraisals made them ineligible for salary adjustments or performance bonuses. The 19 employees who didn't receive annual adjustments due to the relative performance criteria were considered for performance based compensation. All staff can access a performance-based compensation report from a web-based system This report contains information about employees' ratings, base salary increases and/or performance bonuses, but does not provide a specific explanation of why the amount may be a bonus rather than a base salary adjustment. Various communications were undertaken to inform staff as to the nature and basis for 2006 salary adjustments—including who was or was not eligible for the annual adjustment component. These included a special Comptroller General televised chat for which the briefing materials were posted for all staff. A GAO order covering the annual adjustment and performance-based compensation process was issued for notice and comment. Lastly, a PBC guide with calculation examples was posted on the GAO intranet. Human Capital Office staff also provided specific explanations of individual salary adjustments to employees upon request.

Question. What affect has the GAO Human Capital Reform Act had on the morale of the employees in your agency?

Answer. The Human Capital Reform Act (HC II) was passed in July 2004 and provided GAO with several flexibilities including permanent authority for the Comptroller General to offer voluntary early retirement, voluntary separation incentive payments, enhanced annual leave for key employees, flexible relocation benefits and an executive exchange program. In addition, the act authorized the Comptroller General to establish revised pay retention regulations and to determine the annual salary adjustment for GAO staff rather than increasing salaries by the percentage authorized for the General Schedule. The Comptroller General's authority to establish the amount of the annual adjustment was effective for increases effective on or after October 1, 2005. Therefore, January 2006 represented the first exercise of this authority.

GAO conducts an annual employee feedback survey to give staff an opportunity to provide input on various issues relating to their employment at GAO. The results from the 2005 survey which was the first conducted since the passage of Public Law 108–271 (May and June 2005) show morale improved from the prior year with 71.24 percent of employees agreeing or strongly agreeing that their morale was good. In the 2004 survey (July and August of 2004), 68.76 percent of employees agreed or strongly agreed that their morale was good. While we can't attribute changes in morale to this particular legislation or any other single factor, the next survey will be conducted in the summer of 2006 after the HC-II pay flexibilities have been exercised. Employees' responses on the morale question have trended upwards in 2003, 2004 and 2005 and we will track the 2006 responses when the survey is completed in light of the legislation and other changes that have occurred in the agency in the past year.

Question. Why did you not allow for a minimum of a two year transition period before implementing the GAO annual pay adjustment provisions?

Answer. We did. In 2003, as part of our legislative proposal, the Comptroller General laid out plans for a 2-year transition period with increases under the new authority occurring in January 2005 at the earliest. Public Law 108–271 was passed in July of 2004 and provided for implementation of the Comptroller General's annual pay adjustment authority to be effective for any increases effective after October 1, 2005. In January 2005, GAO adjusted employees' salaries at the same time and to the same extent as the General Schedule and January 2006 was the first year in which GAO employees received a different annual adjustment than the executive branch.

Question. Why was the restructuring of GAO senior analysts (Band IIs) carried out?

Answer. As part of our overall human capital transformation efforts, GAO has developed and implemented a modern classification system and a market-based and more performance-oriented compensation system. The principles that guided the development of our classification and compensation system are as follows:

—Enable GAO to attract and retain top talent
—Result in equal pay for work of equal value over time
—Reflect the roles and responsibilities that staff are expected to perform
—Be reasonable, competitive, performance-oriented; and based on skills, knowledge and roles

—Be affordable and sustainable based on current and expected resource levels
—Conform to applicable statutory limits.

The purpose of restructuring the Band II position was to clearly distinguish between the roles and responsibilities of those analysts who are generally individual contributors and/or sometimes provide overall leadership on selected engagements and those who are expected to consistently take on a leadership role for a broad range of engagements over time. When comparing Band II roles, responsibilities and pay to the market, the Watson Wyatt compensation study validated that these two roles should have different pay ranges. By better linking roles and responsibilities to the appropriate market-based pay ranges, senior analysts will be more equitably compensated.

Question. When did the idea of the senior analyst (Band II) restructuring occur to you?

Answer. The issue of how GAO classifies its analyst staff first surfaced in 2000 during the development of GAO's competency-based performance system. As part of the competency validation effort, some Band II employees reported that certain work activities associated with leadership and the development of staff were relevant and important to their responsibilities and other employees indicated that they were not relevant. As a result of this bimodal response, these work activities were not included in the competency-based performance system, but the reasons for the differing response remained a matter of concern.

In preparation for the development of market-based compensation ranges, it was essential to address the issue of Band II roles and responsibilities in order to ensure appropriate benchmarking with comparable positions. The results of the market-based study, which was conducted from July to October of 2004, indicated that the different Band II roles should have different pay ranges. In response, the Band II restructuring effort was formally announced to staff in May 2005, placement decisions were relayed to individual employees in December 2005 and placements actions effected in January 2006.

Question. Did you ever mention the possibility of restructuring GAO's Band IIs during the legislative consideration of your human capital proposal? Why not?

Answer. At the time of the 2003 hearings on human capital II, GAO had not formulated any response to address the issues associated with Band IIs' roles and responsibilities. We had no idea in 2003 what the results, if any, of our market-based compensation study would be.

Question. What have been the benefits and costs of the Band II restructuring process?

Answer. There are significant benefits to implementing a modern and credible classification and compensation system. It supports our continuing efforts to achieve our strategic goal of maximizing the agency's value by becoming a model federal agency and a world class professional services organization. The Band II restructuring process was integral to the effort to classify positions to the appropriate levels of responsibility and appropriate market-based salary ranges. While direct cost savings were not the impetus for our classification and compensation initiatives, over 80 percent of our budget is composed of people-related costs. Our restructuring of Band II along with the agency-wide implementation of a market-based and performance-oriented compensation system is a key element in the efficient use of our budget. Our previous pay system did not result in equal pay for equal work, was financially unsustainable and harmed the agency's ability to adequately reward strong performance. The new system will support our efforts to attract, retain, award and motivate top talent.

However, we recognize that there are also costs associated with any significant change and the restructuring was difficult for GAO staff, particularly for long-term employees directly affected by the restructuring. Transformation efforts take patience and perseverance to achieve results and we fully expect that employees' acceptance of these changes will take time.

Question. How much did GAO "save" by freezing the salaries and denying one-half of bonuses earned of its staff?

Answer. The implementation of a market-based compensation system was not designed to save the agency money. In fact, only 47 staff (2.6 percent) assessed for performance-based compensation and onboard as of the effective date of these increases received no salary increase or performance bonus this year. Our compensation system is a part of our overall transformation effort whose goal is to establish modern, effective, and credible human capital policies in order to ensure that GAO is well positioned to serve our congressional clients, maximize our performance, operate the organization within the resources provided in a constrained budget environment, and assure our accountability and service to the nation not only now, but also in the future.

There were 236 Band II Analysts and Specialists who were placed in Band IIA and who had salaries in excess of the IIA maximum rate. Under the policy adopted to mitigate the impact of the Band II restructuring, these staff whose average salary is approximately $109,000 were provided 50 percent of their performance-based compensation as a base salary adjustment not to exceed the maximum "transition" rate. The transition rate allows all band IIA employees to earn a maximum salary equal to the maximum rate that these employees were eligible to earn in 2005 as Band IIs, i.e., $118,700 in Washington, D. C. (Note: In some locations, the transition maximum was slightly higher than the former Band II maximum due to differing locality rates.) If these 236 employees had been provided with the 2.6 percent annual adjustment and the additional 50 percent of their PBC, the added annual cost would have been approximately $882,000.

Question. What is GAO's policy for paying the relocation expenses of an employee who requests a transfer from HQ to a region?

Answer. GAO does not pay the relocation expenses for employees who request to be transferred. As required by Federal Travel Regulation 302.1–1, GAO only offers relocation benefits if GAO determines that a transfer is in the interest of the Government. GAO always decides in advance of issuing a job announcement if it will offer relocation benefits for a position. If the decision is made to offer relocation benefits, that notation is made in the job announcement. Employees receive relocation benefits only if they are chosen for a position which includes relocation benefits in the job announcement. Employees who request to transfer from headquarters to a field office (or vise versa) are generally allowed to transfer if a position is available, however, the agency does not pay their relocation expenses.

Question. In recent years, GAO, as well as other federal agencies, has invested significant resources to upgrade security. Yet, both physical and information security remain a management challenge for the GAO. Please describe why these areas continue to be a management challenge.

Answer. The continuing dynamics of information technology (IT) and security is the primary reason for GAO's management challenge. It is a challenge that is not unique to GAO—all federal agencies are dealing with this challenge. Essentially, changing security threats, evolving security guidance, and new technologies have created an environment in a high state of flux. Our experience has already shown that security designs implemented today may not have the same effect of protecting our information resources from a newly designed threat, or variant of an existing threat, tomorrow.

The explosion of the Internet, e-commerce and web-based services, along with the rapidly expanding presence of wireless and other computing devices, has created new challenges for protecting IT systems, privacy information and other agency information assets. In addition, the ease with which technology allows the sharing and transfer of information and the portability of cellular devices, tablet computers, and PDAs presents ongoing IT security threats—such as viruses, worms, spyware, zero day exploits, as well as pharming, phishing and spoofing exploits. Unfortunately, these are risks and challenges that are not likely to abate as we look forward and as new threats and the potential for new exploits emerge.

The National Institute of Standards and Technology (NIST) has significantly increased its government-wide guidance on IT, providing more and greater detail in direct response to legislative direction and the Federal Information Security Management Act (FISMA). FISMA, in turn, has expanded the visibility of each federal agency's IT programs and how secure they are—and caused an increase in the workload and resources needed to comply with government-wide standards and reporting requirements. Furthermore, the guidance on implementing and reporting on FISMA requirements, as well as the related NIST standards and technology approaches continues to evolve. We foresee an increase rather than a decrease in work directly supporting these initiatives.

Also, directives to move towards new technologies, such as IPv6, the next generation Internet protocol, may require a significant restructuring of network architectures and network services. (OMB has mandated that all Federal agencies must be using IPv6 by June 2008.) By implementing some of these new technologies, the existing mechanisms implemented to secure the network and information systems may need to be discarded and replaced by very different technologies, creating their own set of new challenges. Significant changes in technology will require additional resources for training and education of staff to meet the challenge. In the case of IPv6, it is critical that we develop and implement a sound transition plan to acquire, test and deploy the needed infrastructure equipment to implement IPv6 and ensure secure compatibility and interoperability with customers, clients, business partners, and service providers. The full implication of IPv6 implementation from

a security standpoint is just now emerging as industry and organizations/agencies gain a greater understanding of the protocol.

In addition, Homeland Security Presidential Directive (HSPD) 12 and Office of Management and Budget guidance require federal agencies implement a new federal employee identification standard in October 2006. The technical requirements to implement these directives are contained in the Federal Information Processing Standard (FIPS) 201 guidelines. However, the vendor community is still developing and testing products capable of meeting the new standards and requirements. Meanwhile, agencies are trying to develop systems and processes to implement the new guidelines in a timely fashion in the absence of street-ready products.

Question. What further investments do you believe are necessary to resolve the challenge?

Answer. Due to the dynamic nature of the security and IT environments, there is no silver bullet to resolve the challenge. By following consistent standards and best practices, GAO has implemented a defense-in-depth approach using measured technical security controls to protect our information systems and information at the perimeter, throughout the network, and at the desktop. We still face mounting challenges from changing technologies and multi-vendor solutions. Most environments today must still rely on multi-vendor solutions that lack appropriate levels of integration. As the industry matures, we should see more integrated solutions on the market. GAO's future investments will be in support of our desire to consolidate security solutions to a limited number of vendors providing integrated effective solutions and reporting capabilities. These solutions will require both investments in technologies and human resources. As GAO moves forward, we will continue to review and update our security tools and approaches to ensure they are the most cost effective—and are responsive to ever evolving threats.

Overall, the increasing and more sophisticated outsider threats, together with additional legislative mandates, presage a steady level of spending, at a minimum, for security initiatives to ensure the safeguard of our information resources and compliance with IT security regulations. While the composition of IT security funding will likely change to meet new security challenges and government wide requirements, we don't—at this time—envision overall costs decreasing, particularly in light of the required move to IPv6.

GAO has several actions planned or underway in the area of physical security which will help improve our security posture, including an integrated access security system which utilizes enhanced Smartcard technology, more stringent background investigations for federal employees and contractors, and a more robust security force of special police officers. However, given the dynamic nature of the nation's post-September 11 security environment, the challenge is continually evolving.

Question. What is the status of your effort to install an integrated access security system?

Answer. GAO is working with a solutions provider to work through the details of implementing the new technology. During fiscal year 2006, we plan to establish an Emergency Operations Center in headquarters as the focal point of our efforts to integrate physical security issues. This Center will allow us to monitor and control physical access issues in both headquarters and the field. It will also allow us to reduce our reliance in 10 field offices on local Federal Protective Service Staff and security forces. We also plan to install turnstiles in the headquarters lobby areas, implement Smartcard technology consistent with HSPD 12 and FIPS 201, and implement a visitor and credential management system in headquarters. In fiscal years 2007 and 2008, we plan to phase implementation of the access security system to the field offices.

Question. What is the status of your disaster recovery/continuity of operations program?

Answer. We have put in place a structured plan and process—which we test on a periodic basis—for business continuity planning and disaster recovery. We have also expanded the capability of our offsite alternative computing facility to ensure the recovery and restoration of the IT systems that support the agency's business processes in the event of a disruption. Expanded capabilities include the installation of additional file servers, operating systems, storage, back-up, data lines, additional remote access licenses and replication technology to synchronize headquarters production data at the alternative computing site. And, we are in the process of moving our alternative computing facility from a commercial site to the legislative branch facility which will save us about $126,000 annually, while providing the foundation for better coordination with other legislative branch entities. The move will occur during the summer, 2006.

Question. Given the current environment of fiscal constraint, it is unlikely the Congress will be able to fully fund your budget request.

a. What impact will this have on your plans for an FTE increase?

b. How will this affect your ability to meet the Congress' needs for information?

Answer. If the Congress is unable to fully funding our budget request, we may need to consider delaying some of the requested initiatives which will only result in increased cost over time due to future price level increases. Alternatively, we may need to consider reducing our planned staffing level in fiscal year 2007 in order to ensure that we could pursue the critical initiatives.

GAO already has a significant supply and demand imbalance with 374 requests from the Congress that had not been started as of March 2006. If we are unable to increase our staffing, this imbalance will likely continue. We will work with our clients on the Hill to determine their priorities for our work, but we will obviously not be able to complete all that they have requested.

Failure to increase our staffing to the requested level would also have an impact on the timeliness of our work. While we continue to receive good marks on our service to the Congress, we recognize that we could always improve the timeliness of our work.

SUBCOMMITTEE RECESS

Senator ALLARD. The subcommittee stands in recess until tomorrow, April 27 at 10:30 a.m., in Senate Dirksen 116, when we will take testimony on the progress of the Capitol Visitor Center construction. Thank you for your testimony.

Mr. WALKER. Thank you, Mr. Chairman.

[Whereupon at 11:32 a.m., Wednesday, April 26, the subcommittee was recessed, to reconvene subject to the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, MAY 3, 2006

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:34 a.m., in room SD–138, Dirksen Senate Office Building, Hon. Wayne Allard (chairman) presiding.

Present: Senator Allard.

OFFICE OF COMPLIANCE

STATEMENT OF TAMARA E. CHRISLER, ACTING EXECUTIVE DIRECTOR

ACCOMPANIED BY:
SUSAN ROBFOGEL, CHAIRWOMAN, BOARD OF DIRECTORS
PETER EVELETH, GENERAL COUNSEL
ALMA CANDELARIA, DEPUTY EXECUTIVE DIRECTOR
BETH HUGHES BROWN, BUDGET AND FINANCE OFFICER

OPENING STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. The subcommittee will come to order.

Good morning. This morning we meet to take testimony from three legislative branch agencies: the Office of Compliance, the Government Printing Office (GPO), and the Congressional Budget Office (CBO). Each agency will appear as a separate panel. I would like to welcome all of our witnesses this morning.

I will hear first from Ms. Tamara Chrisler, Acting Executive Director of the Office of Compliance, accompanied by Ms. Susan Robfogel, Chair of the Board of the Office of Compliance, and Pete Eveleth as General Counsel.

The Office of Compliance is requesting $3.4 million, an increase of roughly 11 percent over the current budget, and would fund three additional employees. The Office's budget is small in view of its responsibilities. I plan to focus most of my questions on the recent revelations concerning the health and safety of the utility tunnels.

Ms. Chrisler, you may proceed with your testimony.

Ms. CHRISLER. Thank you, Mr. Chairman. Good morning.

SUMMARY STATEMENT OF TAMARA E. CHRISLER

Senator ALLARD. Good morning.

Ms. CHRISLER. As you mentioned, Chairwoman Robfogel and General Counsel Pete Eveleth are with me this morning. Also joining us from the Office of Compliance are Alma Candelaria, Deputy

Executive Director, and Beth Hughes Brown, our Budget and Finance Officer.

And let me take a moment on behalf of the Office of Compliance and thank you for the opportunity to present to you this morning in support of our fiscal 2007 budget request. Chair Robfogel and I have submitted for the record written statements, and we appreciate the opportunity to be able to appear before you this morning and just highlight some of the items that we believe to be of significant importance in our budget request.

As you know, in fiscal year 2006, the Office of Compliance submitted to you a zero-based budget request. And we thank the chairman, we thank the subcommittee, for support in that budget request. Because of your support, the Office was able to carry out its mission, as well as improve its inspection program, which is of great significance.

Again, in fiscal year 2007, the Office of Compliance is presenting a zero-based budget request. And the request is designed to assist the Office in ensuring that Congress is a model employer, that the legislative branch is a model workplace and a safe working environment. And we are asking your support in supporting our budget request so that we can meet those goals.

Specifically, the Office of Compliance is requesting additional funding to further a GAO recommended baseline survey. This survey will allow us to gather data so that we know what the employees and the employers in the legislative community know about their rights, their responsibilities, the CAA, as well as the Office of Compliance. This information will allow the Office to engage in best practices, so that we may measure our performance and so that we may focus our efforts on education and outreach to the areas that are needed.

If we focus our efforts and provide assistance and resources where the need is, then we will be able to ensure that offices become self-sufficient and enable offices to know where potential violations are themselves, correcting them themselves, to assure a safe and healthy working environment. This type of proactive approach will, in the long run, save money. And Senator, it will save lives.

NEW FTE POSITIONS REQUESTED

In addition, the Office of Compliance is requesting additional funding for three additional full-time equivalent (FTE) positions, one being for a program manager-type position to assist with dedicated service to the Office's programs and projects, another for the accounts payable function of the office, and the other for a management analyst position for the General Counsel's Office.

Now significantly, the management analyst position will allow the inspectors to go about the business of inspecting, which is where their skills are and where their knowledge is. Currently, the inspectors inspect facilities. They return to the Office. They input data. They record data. They track data, which is taking away from where the inspectors are really needed, out in the field, inspecting the facilities, monitoring progress and abatement. And we request your support in the request for this additional management analyst position in the General Counsel's Office.

I would like to note, Mr. Chairman, that two of the three positions that we are requesting can and will be funded by the Office of Compliance through reprogramming of contract money. So although we are requesting three FTE positions, we are in the position to find two of those ourselves.

Last, but equally as significant as the other items that I have mentioned, is the Office's request for additional funding to inspect the Capitol Visitor Center. Because the center is anticipated to be completed and opened in the near future, this area will increase the Office of Compliance's responsibility by 0.7 million square feet. And because the Office is committed to ensuring that this area, as well as the rest of the campus, is safe and healthy and compliant, we are requesting your assistance in ensuring that funding allows us to do this.

PREPARED STATEMENT

Again, Mr. Chairman, these are just but a few items in our budget request that I wanted to highlight and bring to your attention this morning. I thank you for the opportunity to be able to present to you. At this time, I would ask that Chair Robfogel be allowed a few minutes to address the subcommittee. And Chair Robfogel, General Counsel Eveleth, and myself will remain available to answer any questions that you have.

[The statement follows:]

PREPARED STATEMENT OF TAMARA E. CHRISLER

Thank you, Mr. Chairman and Members of the Committee, for the opportunity to appear before you today in support of the fiscal year 2007 budget request of the Office of Compliance.

Board Chair Susan Robfogel is in attendance with me today to express the support of the Board of Directors for the Office's fiscal year 2007 budget request. Also with me today are General Counsel Peter Ames Eveleth, Deputy Executive Director Alma Candelaria, and Administrative and Budget Officer, Beth Hughes Brown.

We present you again this year a completely zero based budget. We hope that the transparency of the zero based format assists the Committee in understanding from the ground up how the Office operates its mandated programs in employment dispute resolution, in Occupational Safety and Health and ADA public access inspections and enforcement, and in education and outreach programs. This year, we have requested a total of approximately $300,000 in additional funding.

2005 marked the 10th anniversary of the passage of the Congressional Accountability Act of 1995. As we begin this agency's second decade, we can look back at much progress, and some rough patches along the way. In February, 2004, the Government Accountability Office issued its major Report "Office of Compliance: Status of Management Control Efforts to Improve Effectiveness" GAO–04–400. At approximately the same time, the Office issued its first comprehensive Strategic Plan for fiscal years 2004–2006. Both of these documents, and our strides in implementing them since 2004, reflect the continuing improvement in the Office's focus on its core missions, and its growing engagement with Congress and legislative branch agencies in collaborative initiatives to enhance our services in the mandated areas of dispute resolution, safety and health enforcement, and education and outreach to our regulated community.

Recently, the Office formally adopted interim performance measures for fiscal year 2006, after extensive stakeholder consultations—including with the staff of this Committee. Such performance measures represent another step toward the best practices in strategic planning and management controls which GAO challenged this Office to achieve. We are now also fully engaged in two other strategic initiatives: the preparation of our next Strategic Plan, which will guide the Office in fiscal year 2007 and beyond; and a complete Human Capital Review, which is intended to result in a position classification, pay banding, and possible pay for performance structure for the Office. The Office's budget request is designed to further the goals of our strategic plan.

As recommended in the GAO Report and reflected in our Strategic Plan, we continue to shift our focus in providing all our services to a more interactive approach, enabling regulated employers to achieve greater voluntary compliance with the varied requirements of the Congressional Accountability Act. Legislative branch agencies are faced with many employment, security and safety challenges. Our primary mission is to advance safety, health and workplace rights for employees and employers of the legislative branch, as mandated by the Act. We strive toward that goal with just 17 full time equivalent (FTE) positions and a current budget of about $3.1 million.

As this agency continues to implement the recommendations of the GAO Report, and the goals and performance measures of our Strategic Plan, we meet new operational challenges as we become better at what we do. We have carefully prioritized our needs, and limited our requested enhancements to meet only those challenges which handicap our ability to make broader progress at this point in our development. This morning, I will highlight a few of those requests.

DISPUTE RESOLUTION

The Office's day-to-day employment dispute resolution function involves controversies under ten different laws, everything from alleged discrimination to the alleged failure to pay required overtime. This dispute resolution activity remains largely unnoticed because of the confidential nature of the counseling, mediation and hearing processes conducted by the Office. Hundreds of disputes in nearly all legislative branch agencies, as well as in offices of Members and committees of both chambers have quietly been addressed through the administrative dispute resolution system since 1995. The assistance to employing offices and employees provided by this discreet service is perhaps one of the great untold success stories of the past decade regarding our contribution to the quality of Congress's internal operations.

We are, however, operating with an employment dispute resolution electronic case tracking system which was installed at the agency's inception in 1996. This antiquated system (which is entirely different from the Occupational Safety and Health inspection tracking system which this Committee authorized last year) is very hard to use, and is no longer compatible with our other operating systems. We have explored whether it would be cost effective to upgrade this system, and have been told by experts that it is cheaper to replace it. We are requesting funds to implement that recommendation.

SAFETY AND HEALTH ENFORCEMENT

GAO's 2004 Report found that "In contrast to most other CAA requirements, OOC is not fully in compliance with the CAA requirement that it 'conduct periodic inspections of all facilities' of the agencies covered by the provision." GAO also found a "dramatic increase" in the number of health and safety inspections requested by employing offices and covered employees, and observed that the Office's resources "have not kept pace with this growth." We thank this Committee for its positive response to GAO's finding.

For the current fiscal year, the Office received a significant increase in OSH inspection and enforcement funding to enable us for the first time to substantially comply with the Act's mandate that this agency complete a comprehensive safety and health inspection of the entire Capitol Hill campus during each Congress. The Office is now well along in this definitive effort to establish the required authoritative and comprehensive OSH base line for all 17 million square feet of covered space in the D.C. metro area. General Counsel Eveleth and I are pleased to report to you that as of today, the agency is on track to complete that biennial inspection by the end of the 109th Congress. Inspection of 100 percent of the campus is one of our recently adopted performance measures. Thanks to you, we are better able to help the Capitol Hill campus become safer and healthier much faster than otherwise would have been possible.

As the Office gains experience with this much more intense and efficient inspection regimen, it has become clear that the "down time" our inspectors are currently spending back in the office doing administrative tasks can be more cheaply and efficiently performed by a lower cost management analyst, thus freeing up the inspectors to spend more time in the field. We expect that the cost of this FTE will be substantially offset by increased efficiencies in the use of inspector time, and we plan to reprogram contractor funds to fund the salary of this position. As several of our performance measures relate to increased inspection efficiencies, we have requested that you approve an additional position for this purpose.

The impact of the opening of the Capitol Visitor Center during fiscal year 2007 will add approximately 0.7 million square feet to our inspection load. Thus, we are seeking funding for that added activity.

EDUCATING OUR CONSTITUENCY

The Office is mandated by Congress to "carry out a program of education for Members of Congress and other employing authorities of the legislative branch of the Federal Government respecting the laws made applicable to them and a program to inform individuals of their rights under laws made applicable to the legislative branch of the Federal Government. . . ." 2 U.S.C. 1381(h)(1). While the Office continues to carry out this core mandate of the Act through various educational and outreach activities, we have maximized our limited capacity in this area.

A key obstacle to greater educational effectiveness is our lack of comprehensive data regarding how and where we need to focus our efforts. A primary agency performance measurement tool recommended in the GAO Report is the establishment of a knowledge baseline regarding the Congressional community's understanding of the Act and of the Office's role in enforcing it. Such a baseline can best be established through a survey. The survey data will help us better target our education efforts and measure results. We are seeking funding for the undertaking of survey activities to establish the baseline against which we will measure our success in achieving our statutory mandates.

MANAGEMENT SUPPORT

The Office of Compliance makes extensive use of service vendors and personal services contractors to provide many of our vital functions, including employment dispute resolution and OSH inspections. In general, this practice provides significant cost savings and allows this small agency to maintain capacities on an "as-needed" basis. However, some core internal control functions are currently also under-served or contracted out due to our limited FTE authorization, which at 17 is two less than the agency was authorized in fiscal year 1998.

The Office has just two FTE's dedicated to all IT, HR, general administrative support and fiscal management functions. This situation has resulted in inefficiencies, work load overages, and the necessity to contract out core functions, such as accounts payable. Accounting staff is necessary to ensure that a separation of functions can be maintained in our fiscal management. We are requesting one analyst FTE to address our HR and program analyst deficit, and an accounting technician FTE to bring our basic accounting and other fiscal responsibilities on staff. The cost of these FTE's will be partially offset by a reduction in contractor expenses.

CONCLUSION

There are a number of other requests in our budget submission which we commend for your consideration. On behalf of the Board of Directors, the appointees and the entire staff of the Office of Compliance, I again thank you for the Committee's support of the efforts of this agency; I recommit to you that we are dedicated to using every dollar of taxpayer money carefully and efficiently; and I respectfully request that the Committee respond favorably to the Office's fiscal year 2007 budget request. We will be happy to respond to any questions which you may have.

APPENDIX—THE CONGRESSIONAL MANDATE

The Office of Compliance was established to administer and enforce the Congressional Accountability Act of 1995, 2 U.S.C. 1301, et seq. The Congressional Accountability Act applies 12 workplace, employment, and safety laws to Congress and other agencies and Instrumentalities of the legislative branch. These laws include: the Occupational Safety and Health Act of 1970; the Federal Service Labor Management Relations Act; Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act; the Rehabilitation Act of 1970; the Family Medical Leave Act; the Fair Labor Standards Act; the Age Discrimination in Employment Act; the Worker Adjustment and Retraining Notification Act; the Employee Polygraph Protection Act; and veteran's employment and reemployment rights at Chapter 43 of Title 38 of the U.S. Code. The Act was amended in 1998 to apply the Veterans Employment Opportunities Act.

Currently, the Office has regulatory responsibility for employers in the legislative branch employing approximately 30,500 employees. The Office is also charged by the Act to make recommendations to Congress as to whether additional employment and public services and accommodations laws should be made applicable to the employing offices within the legislative branch.

Under the direction of the Executive Director, the Office administers a dispute resolution system to resolve disputes and complaints arising under the Act, and carries out an education and training program for the regulated community on the rights and responsibilities under the Act. The General Counsel has independent investigatory and enforcement authority with respect to certain of the laws administered under the Act and represents the Office in all judicial proceedings under the Act.

THE BOARD OF DIRECTORS AND STAFF

The Office has a five-member, non-partisan Board of Directors appointed by the Majority and Minority Leaders of both houses of Congress. The Board appoints the executive leadership of the agency, acts as an adjudicative body in reviewing appeals by parties aggrieved by decisions of Hearing Officers on complaints filed with the Office, and advises Congress on needed changes and amendments to the Act. The Board members, who serve five-year terms, come from across the United States, and are chosen for their expertise in the laws administered under the Act. In a major vote of confidence in the current leadership of the Office, Congress enacted legislation in 2004 and in 2005 granting authority to the bipartisan Congressional leadership to appoint the current chair and members of the Board to a second 5 year term in office, and to the Board to appoint the executive leadership of the Office to second five year terms.

The Office of Compliance currently has 17 full-time employees and pays the part-time Board members on a "when-actually-employed" basis. Our staff performs a multiplicity of functions, including: administrative dispute resolution, occupational safety and health and disability access enforcement, labor relations regulatory activity, education, Congressional relations, professional support for the Board of Directors, and general administrative and fiscal functions. The Office performs the functions of multiple agencies in and for the Executive Branch, including but not limited to, the Equal Employment Opportunity Commission, Occupational Safety and Health Administration, Occupational Safety and Health Review Commission, and the Federal Labor Relations Authority. The Office regularly contracts for the part-time, as-needed services of approximately 30 other individuals as mediators, Hearing Officers, and safety and health investigators. The Office's senior full-time safety and health investigator is on permanent detail from the Department of Labor's Occupational Safety and Health Administration.

BIENNIAL OSH–ADA INSPECTION

In the fiscal year 2006 budget, Congress provided substantial additional funding to permit the Office of the General Counsel to meet the statutory Occupational Safety and Health mandate to examine all legislative branch facilities during the 109th Congress biennial cycle of inspections. The total amount of covered premises in the metropolitan Washington region is in excess of 17 million square feet. The Office is intensely engaged in the implementation of the biennial inspection regimen, and continues to carry out the GAO recommendation that the inspection program include interactive and collegial involvement on the part of the affected agencies.

As part of the revamped inspection regimen, the Office is now utilizing a recently installed electronic tracking and report system for OSH inspections and enforcement, and has adopted a widely recognized risk assessment code (RAC) to classify all hazards found to exist in the ongoing inspections.

MORE CONSULTATION AND COLLEGIALITY

GAO also recommended that "OOC should establish congressional and agency protocols . . . between the Congress, legislative branch agencies, and OOC on what can be expected as OOC carries out its work." (GAO Report, Introduction) The Office of Compliance continues to develop new approaches to OSH and other regulatory activities which involve greater consultation, coordination, and transparency in dispute resolution, and in investigatory and enforcement activity. This effort is time intensive and requires partnerships with employing offices and employees and a concomitant educational and training initiative to improve management and employee understanding of best practices. These activities are focused on fostering more cooperative efforts at achieving compliance with standards but they do not negate the statutory mandate to enforce the law.

STRAINS ON AGENCY RESOURCES

In last year's budget request, this Office highlighted the drastic under-resourcing of the agency's OSH inspection and enforcement responsibility. We thank the Com-

mittee for its leadership in significantly improving the level of resources we are able to employ in meeting the OSH challenge.

In this budget, the problems are less evident to outside stakeholders, but no less urgent with regard to the Office's ability to carry out its mission. We are requesting three FTE's to address chronic major shortfalls in our administrative support capabilities in IT and equipment maintenance, fiscal controls; and to address the emerging need for more administrative support for the much larger OSH inspection activities. The Office of Compliance continues to operate with three fewer FTE's than it was provided when the agency began operations in 1996. However, our responsibilities and statutory missions have not diminished. We respectfully submit that restoration of three FTE's will greatly assist the Office in continuing to address the recommendations of the 2004 GAO Report, and better serving our customer community.

We are also asking for funds to better focus our education and outreach efforts, and a number of other inexpensive enhancements to many of our program efforts which nevertheless provide significant added value to the quality of workplace life on Capitol Hill.

Senator ALLARD. Ms. Robfogel.

SUMMARY STATEMENT OF SUSAN ROBFOGEL

Ms. ROBFOGEL. I will emphasize only one point because I know there are, as you say, there are many questions that you have with respect to some of the safety violations that have been discussed so extensively in the last few weeks.

I wanted to take this opportunity to thank you for the support that you provided to the Office during the 2006 year. As a result of the increased funding that we received last year, the Office has been able to engage in a much rigorous inspection of the entire congressional campus. And although we are only 63 percent completed with respect to our inspection with the 109th Congress, we have already identified 10,000 safety violations.

PREPARED STATEMENT

What our emphasis needs to be as we go forward is to be sure that we have the funding to deal with abatement and enforcement and to help the various constituents who are part of the congressional campus to keep their building safe, and to learn how to recognize safety violations when they see them.

We want to keep doing the job that we are trying to do, to keep people who work on the Hill safe and to keep visitors who come to the Hill safe. You have gone a long ways toward helping us do our job. We need a little bit more support going forward.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF SUSAN ROBFOGEL

Good morning, Mr. Chairman and members of the Committee. I am Susan Robfogel. As Chair of the Board of Directors of the Office of Compliance, I am honored to be here today to join Tamara Chrisler in testifying on the Office's fiscal year 2007 budget request. I want to take this opportunity to express my appreciation and that of the rest of the Board for the increased funding appropriated to the Office of Compliance in fiscal year 2006 for purposes of completing a comprehensive safety and health biennial inspection. I can assure you that the Office is on track with this vital effort.

Mr. Chairman, the Board would like to commend the work of the entire staff in achieving so many goals in the past few years. We now have a Strategic Plan with a performance line of sight to individual work plans; we have established or are developing protocols to enable us better to partner with the agencies for which we have employment law and safety and health jurisdiction; and we have worked with

this Committee, and GAO to improve and systematize our business practices in budget, performance measures, and strategic planning.

This record of improvement is the result of the hard work and dedication of the four statutory officers who are appointed by the Board, and the dedicated staff they have assembled. While the Board wholeheartedly supports all of the budget requests, we wish to underscore the need which the agency has to increase its FTE complement to 20. Right now the FTE complement of 17 is two less than the 19 the Office was afforded in fiscal year 1998. Over the past several years, the agency has concentrated its available resources on enhancing its service delivery, particularly in the OSH area. Consequently, there is a compelling need for basic operational support staff. I can assure you that the Office of Compliance will continue to make the most efficient use of every dollar which is appropriated by this Committee.

We are available to address any questions.

Senator ALLARD. Thank you for your testimony.

I would like to follow up on your request. You have requested an 11-percent increase over the current year. You gave us some brief explanation. I would like to go over and make sure I understand that.

Ms. CHRISLER. Yes.

Senator ALLARD. Those increases are in the area of three additional full-time employees. It looks to be pretty much on the management side, a program manager, an accounts payable technician, and then a management analyst. Is that correct?

Ms. CHRISLER. That is correct, for the General Counsel's Office.

Senator ALLARD. And what is your priority on those? Did you give those in the way of priority to us?

Ms. CHRISLER. Thank you. The management analyst position is a significant position. And that is a very significant position.

Senator ALLARD. Okay.

Ms. CHRISLER. The accounts payable position, what we have now, Senator, is a very small human resource, as well as budget staff, extremely small. And we are contracting some of those services out now, which are core functions of our office. And to, frankly, be more efficient and more effective in managing our office, that accounts payable position is significant, as well.

Senator ALLARD. I see.

Ms. CHRISLER. The program manager-type position for our office would be split between managing programs, managing projects, as well as carrying out some of the human resource functions in the Office, as well. So although all three positions are desperately needed by the Office, we are able to fund two of them.

Senator ALLARD. Well, I know it is difficult to set priorities, and that is a tough question. I respect and thank you for your straightforward response.

Ms. CHRISLER. Thank you, sir.

Senator ALLARD. Now the Capitol Visitor Center, that is another reason for that increase?

Ms. CHRISLER. Yes, it is, Senator.

Senator ALLARD. Okay. Now, are there any other factors that I did not pick up on in your testimony or maybe you did not have in your testimony that is contributing to the 11-percent increase that you are requesting?

Ms. CHRISLER. There are a number of items that we are requesting assistance for. The main ones are for the full-time equivalent positions, the baseline survey, the case tracking. What is signifi-

cant and of main importance for us is to be able to maintain our progress that we have made so far. The Office wants to be able to sustain itself. And the Office is requesting assistance to be able to grow with the surrounding circumstances.

There are many circumstances that are getting greater attention and requiring greater responsibility and greater inspection and management by our Office. And we are asking your support in general for us to be able to move with and maintain the progress that we have made and also continue to make progress, because as the campus moves and grows and as incidents and issues and circumstances come to the attention of the Office, we want to be in the position to provide the services and resources that are necessary.

BIENNIAL SAFETY AND HEALTH INSPECTIONS

Senator ALLARD. How would you evaluate your biennial health and safety inspection of the Capitol, including the House and Senate facilities?

Ms. CHRISLER. The progress on that is going very well. As Chair Robfogel mentioned, we are 63 percent into that process. And along with me this morning is General Counsel Eveleth, who maintains overall management of that program. And I would like to defer to him to add additional comments to that question.

Senator ALLARD. Okay.

Mr. EVELETH. Yes, Mr. Chairman. We have made significant progress over the past years as a result of the additional funding that we received for fiscal year 2006. In our 108th Congress biennial inspection, we were only able to cover 25 percent of the square footage, that is, of the approximately 16 million-plus square footage. There will be an additional 700,000 once the visitor center comes online. But we were only able to do 25 percent in the last biennial.

At this point, as has been said, we have covered 63 percent. And we anticipate completing the biennial inspection for the 109th Congress by September of this year. So that is a big step forward.

Senator ALLARD. It is.

Mr. EVELETH. As a result of that, we have identified, as was indicated, something like 10,000 violations, as opposed to our last inspection, where we discovered 2,600 violations. That number, in turn exceeded the biennial inspection for the 107th Congress where we identified something like 360 violations. That does not mean it is because things have gotten worse. It is just that we are doing a much more thorough baseline inspection.

Senator ALLARD. And under those violations, have you tried to break them down into categories?

FINDINGS BY RISK ASSESSMENT CODE

Mr. EVELETH. I can tell you, I can break it down. We have a system which we call a RAC system. That is a risk assessment code system. This is common in industry, and in other departments. And ours is based on the Department of Defense's risk assessment code system.

It is a combination of rating each hazard during the inspection according to the risk of injury or illness or potential of death. It de-

pends upon a combination of the probability that an employee could be hurt and the severity of the illness. The RAC's are based on that. And the most serious RAC rating would be a risk one, and that goes to a risk five, which is de minimis.

Now we ourselves do not count risks that are de minimis. We just do RAC one through four. And so I can tell you——

Senator ALLARD. The 10,000 only includes one through four. It does not include five?

Mr. EVELETH. No. We do not even record de minimis ones.

Senator ALLARD. So the 10,000 would get you the RAC one, two, three, and four.

Mr. EVELETH. Right. And of the RAC's, there are 20—this is as of today or last week—we discovered 20 RAC ones—those are the most serious—1,655 RAC two's; 7,681 RAC three's; and 759 RAC four's.

Senator ALLARD. What would be an example of a RAC four?

Mr. EVELETH. A RAC four would be such things as—let us see. I have some examples of that. There may be some electrical cord hazards, some ladder hazards, broken ladder, some fall protection hazards. There might be a problem with fire extinguishers, that they are not currently inspected. There might be an issue about storage shelving hazards, overloaded shelves or something.

Senator ALLARD. I have a pretty good feel where that is.

Mr. EVELETH. Right.

Senator ALLARD. And a RAC one example would be?

Mr. EVELETH. Well, a RAC one would be—as you know, the tunnels would be an example of that, where there would be falling concrete, where there is asbestos, and things of that nature. A lot of electrical issues would also be a RAC one—where a worker could be exposed to an electrical hazard.

Senator ALLARD. Bare wires or something like that.

Mr. EVELETH. Bare wires and so forth.

Senator ALLARD. Okay.

Mr. EVELETH. And when we do the RAC's, it is not a one-size-fits-all kind of RAC. In other words, an electrical hazard in one situation might be a RAC one and another might be a RAC four, depending on the circumstances. For example, if there were a wet floor or something, that would heighten the risk, if someone were to be shocked.

FIRST OFFICE OF COMPLIANCE COMPLAINT UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT

Senator ALLARD. Now I would like to proceed to one of the RAC ones, the one that has the most publicity at this point in time. That is the complaint that you filed with the Architect of the Capitol regarding a condition of the Capitol complex utility tunnels. Now this is the first time that OOC has filed a complaint under the Occupational Safety and Health Act. You have filed other complaints, but this is the first one under that act.

Mr. EVELETH. That is correct.

Senator ALLARD. Why did the OOC believe it necessary to file a complaint?

Mr. EVELETH. Well, my predecessor, as you know, issued a citation back in the year 2000. And when I came on board in 2003, my

intent was to determine which were the most hazardous areas. And the first areas that we began to look at were areas that had not been inspected at all in the past. And I wanted to be sure what was going on there.

And in 2005, we began, when we had additional resources that we did not have before, we began our inspection of the Capitol Power Plant tunnels and the Capitol Power Plant itself, because that was an area where a citation had been issued previously. And what we discovered in the course of that, that while some work had been done, in effect very little work had been done. That is to say, in 2000 a contractor that had been inspecting the tunnels under the engagement of the Architect of the Capitol—that contractor identified areas within the tunnels that needed to be fixed within 1 year, immediate attention, as well as other ones that had to be done within 5 years.

What we discovered in our inspection was—and they were also required to monitor the progress of those things, because they continued to deteriorate. Those tunnels are very hot. They go up to 130 degrees, some of the tunnels, and they are also damp. And that combination causes rust. And the rust in the rebar that is under the cement, it expands as a result of rusting. And whole sections can and have delaminated. That is, they have fallen down. And smaller areas have spalled. So that is a very serious situation. And the contractor said, "You need to do these things within a certain period of time."

Senator ALLARD. Is that what the original contractor said in 2000?

Mr. EVELETH. That is what the original contractor said, right, back in 2000. Our citation back in 2000 basically tracked what that contractor had found and said to fix these issues. Continue to monitor, fix the safety communication system so that people within the tunnels can notify the people outside the tunnels, if they have to get out, if there is an emergency, and also to assure that there were sufficient number of egress points so they could be rescued in the event of a collapse or injury or what have you.

And when we went through the tunnels in June 2005, we discovered that the communications system, although it had initially been improved, was not working properly. And not all the areas were covered by the communications system.

A number of the egress points had been welded shut during past years. And there were not—there was an insufficient number of egress points. And finally, they had not completed the repairs or made any attempt to do the repairs in most of the areas that had been identified by the contractor.

We met with the Architect of the Capitol, as we do monthly, that is to say, representatives of the Architect of the Capitol and described the problem. They gave us a tentative mitigation plan, which we examined. And we reached the conclusion—and I told the Architect about this as well—we reached the conclusion that it was insufficient. And it was insufficient in at least two respects.

In one respect, it was insufficient because insufficient monies were going to be reprogrammed or were going to be asked for in this fiscal year. I think less than $4 million was being requested. Whereas the contractor back in 2000 had said it will be at least

$13 million in order to just do the concrete, to prevent the spalling of the concrete and things like that. So we knew that an insufficient amount was being requested. And therefore, it would not be possible to do all the repairs within short order.

And the other aspect of it that was of most concern to us was that there were no intermediate measures that were being undertaken or proposed by the Architect until the full repairs could be made. And there was no suggestion about putting in netting or any other kinds of things that might be able to be done to protect the workers.

And because of that, we decided that it was necessary to file a complaint.

Senator ALLARD. Okay.

Mr. EVELETH. I am sorry if that is an overlong answer.

Senator ALLARD. No, we needed that detail. Thank you.

The question, then, is what kind of follow up do you have? This has gone on for 6 years now.

Mr. EVELETH. Right.

Senator ALLARD. Well, 5½ years. I have been an inspector myself, and I always would say I will be back in 1 month and see how you are doing. Why was there not that kind of follow up?

Mr. EVELETH. I cannot answer that entirely, because I was not on duty at that time. But what I can tell you is that under the citation, the Architect was supposed to have completed the repairs during the following fiscal year.

Senator ALLARD. So we were just taking the word of the Architect that the work had been done?

Mr. EVELETH. No, no, sir, no. I am saying that they had a couple of years in order to do the work.

Senator ALLARD. Yes.

Mr. EVELETH. And then we would go back and see whether they had done the work.

Senator ALLARD. I see.

Mr. EVELETH. There was not a continuing reporting process. That is number one.

Two, we did not have the resources, frankly, to do all the inspections and to follow up on all these things until—as I say, when I got on duty, my primary interest was to look at those violations and citations that looked the most serious and those that had not been inspected at all. And so I turned to that.

Now should we have done more? Absolutely we should have done more. And now we are in a position to do more. And that is what our whole intention is to do by this RACS system, is to be able to identify those violations that are the most serious in terms of likelihood of occurrence and likelihood of injury to people. And that is going to be our emphasis.

Senator ALLARD. And do you have a system of tracking these violations now within the Office of Compliance?

Mr. EVELETH. We do now.

Senator ALLARD. When did you put that into effect?

Mr. EVELETH. Pardon me?

Senator ALLARD. When did you put that into effect?

Mr. EVELETH. We asked for that, I believe it was, for our fiscal year 2005 budget. And then we have been in the process ever since

of loading into that tracking system not only our current inspections—that is, when the inspectors go out, they come back to the Office, they load it into our system, and it says exactly where the violation is, the RAC number, what code section is being violated, and when the employing office or the Architect will abate it. And then we analyze that data, and we will go back as soon as we have the information from them and tell them, yes, we think that is appropriate or no, you have to speed that process up.

But thank goodness for that appropriation, because when you are talking about 10,000 violations, plus what we have found in earlier years, it is impossible to keep track of it without some kind of a solid database.

Senator ALLARD. You do. And you have to prioritize.

Mr. EVELETH. Right.

Senator ALLARD. As an inspector, if I found a serious violation, I would say I will be back in 2 weeks or I will be back in 30 days——

Mr. EVELETH. Right.

Senator ALLARD [continuing]. To follow up on things. If it was less serious, I would say, well, I will pick it up in a couple of months and see how you are doing.

Mr. EVELETH. Right.

Senator ALLARD. So it seems to me that if it is a RAC one, it needs to be followed up a little more closely than if it is some other less serious violation.

Mr. EVELETH. Absolutely. And what we do, when our inspectors go in and they see a RAC one situation, they immediately issue a notice of serious deficiency and tell them to fix it. And we follow up on all those RAC ones right away.

Senator ALLARD. Okay.

Mr. EVELETH. Now obviously if you have a situation like the tunnels, that is not something that can be fixed like that.

Senator ALLARD. No. I understand that.

Mr. EVELETH. Right.

Senator ALLARD. We are doing our best to respond to that, by the way, if you noticed.

Mr. EVELETH. Right. And we greatly appreciate that.

Senator ALLARD. Yes.

Mr. EVELETH. That is critical.

COMPLAINT AGAINST ARCHITECT OF THE CAPITOL ABOUT THE TUNNELS

Senator ALLARD. Apparently your office is involved in a legal proceeding to address the complaint with the Architect of the Capitol, I understand.

Mr. EVELETH. That is correct.

Senator ALLARD. What is the status of that process? And how do you expect it will conclude?

Mr. EVELETH. Well, we are now in the process of—we have submitted position papers, both sides. The hearing officer has been appointed. We will be setting out our respective witnesses and all the pretrial stuff that goes with that.

Senator ALLARD. This is a hearing procedure——

Mr. EVELETH. That is correct.

Senator ALLARD [continuing]. Using a hearing officer, not a full-blown court case. Is that right?

Mr. EVELETH. Well, the process is this: A hearing officer is appointed by the Executive Director of the Office of Compliance. A full litigation proceeds with discovery and so forth. There is then a hearing before a hearing officer, who issues a report. That report then may be appealed. The results of his order in this case will be appealed to the board of directors of the Office of Compliance. And then the dissatisfied party may go to the United States Court of Appeals for the Federal Circuit. So it is an administrative proceeding before the Office of Compliance, but subject to appeal to the court.

ARCHITECT OF THE CAPITOL PLAN TO REMEDY TUNNEL ISSUES

Senator ALLARD. Now, has the Office of Compliance had an opportunity to review the Architect's plan that was submitted on April 10, to both Senator Durbin and myself to remedy the tunnel problems?

Mr. EVELETH. There was an excerpt given to us, I believe, last week. And later last week, we asked the Architect to provide that to us.

Senator ALLARD. That is, almost 30 days after we received it, it was given to you?

Mr. EVELETH. Right. And we just received it this morning. So I have not had a chance to look at it yet. But we were asked by the Architect's Office to respond to that. But as I said, we just got it this morning.

Senator ALLARD. Okay. I am surprised that he did not allow you to review that before he submitted it to the subcommittee.

Mr. EVELETH. Well, I believe the position of the Architect's counsel was that because we were in litigation, they were not going to share that information with us, and that was really something that should be governed by the discovery under the proceedings that are now before the hearing officer.

Senator ALLARD. When did the litigation get filed?

Mr. EVELETH. February 28.

Senator ALLARD. The 28th.

Mr. EVELETH. Right.

Senator ALLARD. So their immediate response is not to talk to you after that litigation is filed?

Mr. EVELETH. Well, I think there could be more communication, yes, sir.

Senator ALLARD. Yes. So you would have preferred that they communicated with you at least before they submitted the plan to us.

Mr. EVELETH. Right.

Senator ALLARD. As a consequence, we do not know how you really feel about that evaluation because you just got it yesterday.

Mr. EVELETH. Right. Today.

Senator ALLARD. Today?

Mr. EVELETH. Right. This morning. That is correct.

Senator ALLARD. You did not have a chance to review it for this testimony.

Mr. EVELETH. No, I did not.

Senator ALLARD. I would like to get your evaluation on that as soon as possible. As soon as you do get a chance to evaluate it, would you send it to the subcommittee as part of your response for this hearing?

Mr. EVELETH. Yes, indeed.

[The information follows:]

As was discussed at the hearing, that report was not provided to the Office of the General Counsel (OGC) until the morning of the hearing. We are attempting to provide overall comments to the abatement plan itself, but also to the specific questions you posed. This is based on the assessment of the members of our staff and our contract safety consultants as well as a recent summary briefing by the staff of the Architect of the Capitol on May 11, 2006, respecting the AOC plan.

The Architect's plan raises complex technical questions that this office will need to address with respect to the adequacy of the measures proposed to be undertaken, both in the short and long term, to correct the hazardous conditions. This will require the services of structural engineering firms and other experts in order to make these assessments. Since this office does not presently have on hand the necessary technical expertise to evaluate the AOC plan, it is in the process of interviewing experts for these purposes. Accordingly, this should be considered to be a preliminary report. With this caveat, however, the OOC is fully supportive of the emergency supplemental budgetary support to fund the AOC plan.

We met with representatives from the AOC's safety, engineering, and tunnels staffs on May 11, 2006, to provide further explanation of the report. The AOC's report (on page 42) provides immediate and mid-term estimates of costs exceeding $117 million. While that estimate provides a breakdown of costs for each tunnel for fiscal year 2006, 2007, and 2008, it does not provide a similar breakdown for each program area (i.e., asbestos abatement, communications upgrade, egress improvements, etc.). At the meeting with the AOC officials, we became aware that additional financial sheets existed that would provide this information. The AOC provided those figures to the OGC on May 16, 2006, and they are currently being reviewed by this office.

The Architect's abatement plan provides a plan of action, not only for the conditions identified in the Complaint, dated February 28, 2006 (falling concrete, emergency communications, and emergency egress), but also for those conditions identified in Citations 60 and 61 (asbestos and heat stress).

Comments on the Abatement Plan

At our meeting with the AOC on May 11, 2006, Susan Adams, Director, Safety, Fire and Environmental Programs for the AOC, noted that the abatement plan was developed by the AOC in a 10-day period immediately following their March hearings before the Appropriations Subcommittee and in response to specific requests from Senators Durbin and Mikulski. This fact raises two concerns. First, the Report indicates that even though the Architect was aware of the serious conditions in the tunnels as a result of Citation 24 issued in CY 2000 and the repeated inquiries from OOC inspectors on behalf of the tunnels workers during the 108th inspections, the original fiscal year 2007 budget request from the AOC identified only $1.8 million to be reprogrammed in fiscal year 2006 and $1.75 million in fiscal year 2007 for the correction of the hazards and tunnel maintenance. That is a very small percentage of the amount now identified as necessary to correct these significant hazards. Second, we are concerned about the accuracy of both the monetary and time allocations assessed for the individual elements of the abatement plan. While we are certain that the AOC made every reasonable and good faith efforts to prepare reasonable estimates, past experience would indicate that estimates developed under such conditions may not necessarily prove to be accurate either in terms of the length of time or the amount of resources it will take to effectively abate the hazards, especially since the contracted for condition assessments have not been completed, and the full extent of remedial measures necessarily have not been determined. Therefore, both interim and long-term measures proposed by the AOC plan may be inadequate to fully protect the tunnel workers, and may consequently place them at further risk.

In addition, we believe that parts of the AOC's abatement plan do not provide adequate interim protective measures. For example, one interim measure involves the Construction Management Division of the AOC (now Construction Division) conducting visual inspections in order to identify those areas where the risk of falling concrete is most severe. Prior consultant reports indicate that visual inspections may not adequately identify all areas of potential delamination and spalling. The

CD is tasked with removing concrete sections at risk of falling. This is a cumbersome and time consuming process. Workers must erect structures to protect the piping system from falling concrete pieces, and the small, confined spaces make access to the spalling concrete difficult. Therefore, it is unlikely that these interim measures can be completed by the end of the calendar year as estimated by the AOC. The longer this process takes, of course, the longer tunnel workers and others will be exposed to this serious hazard. Additional information should be sought from the AOC to ascertain whether sufficient resources are being dedicated to this task.

Under the AOC plan, hazards in the Y tunnel will be among the last to be permanently fixed. The study which will advise whether the Y tunnel should be replaced or repaired is scheduled to be completed by the end of fiscal year 2006. However, if the recommendation is made to replace the tunnel, then another study will be required to determine if other options, such as alternative sources of power for the buildings serviced by the Y tunnel, are available. That study is not anticipated to be completed until at least the middle of 2007. Again, because of the lack of sufficient egress points, the high heat levels, and the advanced state of deterioration in this tunnel, we are concerned about the adequacy of interim measures to protect workers using this tunnel.

In the abatement plan, the AOC requests approximately $14 million for complete asbestos removal in the tunnels and the installation of new insulation. The OOC endorses this approach in theory. GAO accurately testified to the Appropriations Subcommittee on April 27, 2006, that the industry standard calls to leave asbestos in place, unless it is going to be subject to further damage, or access is needed for maintenance. During that hearing, however, neither GAO nor the AOC discussed a principal justification for complete removal of asbestos in additional areas of the tunnels where the steam pipes generate excessive heat levels that adversely affects the integrity of the tunnels and the health and safety of tunnel workers. These adverse heat conditions only serve to exacerbate the problems already present causing further deterioration and spalling of the concrete. We are informed by the AOC that by replacing the current asbestos coverings with other types of insulation, the temperatures in tunnels could be significantly reduced. Therefore. the hybrid approach of removing only damaged or friable asbestos and the asbestos found in the excessively hot areas, therefore, may not be effective from either an abatement or cost effectiveness standpoint. Accordingly, we believe that before a decision is made with respect to adopting the hybrid approach this issue should be carefully studied.

Of particular concern is the fact that the abatement plan provides no mechanism for the sharing of information with the Office of Compliance which is responsible for assuring that the violations set forth in the underlying citations are fully abated. The General Counsel is responsible for monitoring abatement. In order to provide appropriate oversight and evaluation of the effectiveness and progress of the abatement measures, the AOC must make continuously available full access to the information produced by the AOC and its contractors. This is an area where this office can be of assistance in providing independent analyses and assessments for the Subcommittee.

Comments to Specific Questions

We were asked to address those priorities that are most urgent and those that could be dealt with at a later time.

While all of the conditions addressed in our Complaint and Citations 60 and 61 are significant, in our judgment the highest priority must be given to those hazards that create the most serious and imminent risk of harm. First and foremost are those measures that protect the tunnel workers from falling concrete. Second, is protection from friable asbestos exposure. Finally, are those risks that are exacerbated as a result of the heat stress.

ASBESTOS ISSUES IN THE TUNNELS AND VAULTS AS OF MAY 2, 2006

A. What has the AIR SAMPLING shown so far?

1. We have reviewed 79 "valid" sample results provided to us by the AOC.

—"Valid" means samples that were not overloaded, voided or field blanks.

2. Nine (9) of these sample results exceeded 0.1 fiber per cubic centimeter; however, only one employee's exposure exceeded 0.1 fiber/cc after the results were adjusted for time.

—0.1 fiber/cc is the OSHA permissible exposure limit ("PEL") for an 8-hour time-weighted average ("TWA").

—"Adjusted for time" means time-weighted or averaged for an 8- hour period.

3. The one employee whose "time-weighted" sample exceeded 0.1 fiber/cc had a TWA exposure of 0.30 fiber/cc averaged from the two (2) samples of his exposure for that day.

—That employee was an AOC inspector, but it is not clear from the monitoring records what he was doing that produced a much higher exposure level.

4. That employee's 30-minute exposure (3.49 fiber/cc) exceeded the excursion limit.

—The excursion limit ("EL") is another OSHA PEL for asbestos; the EL limits 30-minute exposures to 1.0 fiber/cc.

5. The documentation records did not have sufficient detail to explain why this worker's exposure was significantly greater than the other employees' sample results.

6. The OOC performed five samples on Tunnel Shop employees last week.

—The "preliminary" results for both time-weighted averages and 30-minute excursions have been less than the OSHA PELs.

—"Preliminary" means we have received facsimile results from the OSHA laboratory but do not have the formal confirmation of the results.

7. The OOC monitoring for the Tunnel Shop is not complete.

—During the sampling done last week, Tunnel Shop employees were performing escort duties, tracing circuits and walk-through duties.

—These duties would not be expected to disturb the asbestos and create large exposures.

—The OOC intends to sample Tunnel Shop employees during repairs and when they use equipment likely to disturb asbestos.

—These tasks occur intermittently; therefore, it might take some months before the OOC's sampling has been completed.

B. Is the personal protective equipment (PPE) used in the tunnels adequate?

1. From the sample results done so far, so good. The "half-face" respirators and Tyvek® coveralls (which also cover the shoes) provide adequate protection for these levels.

—"Half-face" respirators seal across the top of the nose and don't cover the eyes.

—"Full-face" respirators seal across the forehead and shield the eyes.

2. OSHA requires different types of respiratory protection for higher exposure levels.

—Half-face respirators may be used if exposures don't exceed 10 times the PEL.

—The highest exposure (time-weighted and excursion) is 3 to 3.5 times the PEL.

3. If future samples (done during operations that disturb asbestos more than the samples taken to date) exceed 10 times the PEL, full-face respirators would need to be used.

—Higher levels would require even more protective respirators.

—If levels exceed 10 times the PEL, then (at least) full-face "powered-air purifying" would be needed.

—Levels higher than 100 times the PEL would require supplied-air respirators operated in the pressure demand mode.

—The highest levels (more than 1,000 times the PEL) would also require an auxiliary self-contained breathing apparatus (often called an "escape bottle").

C. What DECONTAMINATION is required?

There are two sets of requirements for decontamination.

1. One set is for workers who maintain the tunnels and the equipment within the tunnels.

—Hygiene requirements for these workers are found in the General Industry Standard [§ 1910.1001].

2. A second set of requirements for hygiene is found in the Construction industry standard [§ 1926.1101]

—The definition of construction work [§ 1926.32(g)] lists "construction, alteration, and/or repair."

—Workers who are abating the asbestos, performing cleanup associated with abatement activities, or performing construction, alterations and/or repair must comply with the Construction Industry requirements.

D. What decontamination does the general industry standard require for asbestos?

The General Industry requirements for "hygiene facilities and practices" lists the following required elements for employees who are exposed above a TWA or EL:

—Clean change rooms must be provided with separate storage areas to prevent street clothes from being contaminated from protective clothing and equipment.

—Showers must be used, at least at the end of the shift.

—Employees required to shower must not wear clothing or equipment outside the workplace during the shift.

—Lunchroom facilities with positive pressure, filtered air supply must be readily accessible to employees.
—Employees must wash their hands and faces before eating, drinking or smoking.
—Employees must not enter lunchroom facilities with protective work clothing or equipment unless surface asbestos fibers have been removed.

E. What decontamination is required by the construction industry standard?

1. The Construction Industry standard [§ 1926.1101(j)] has different "hygiene facilities and practices" required for different types of asbestos work.
2. The most stringent requirements are for "large Class I" jobs.
—"Class I" work involves removing thermal system insulation or surfacing asbestos-containing materials or presumed asbestos-containing materials ("ACM/PACM").
—"Large jobs" involve more than 25 linear feet or 10 square feet of thermal system insulation or surfacing ACM/PACM.
3. The less stringent requirements are for "small" Class I jobs, and for Class II and Class III jobs where exposures exceed a PEL or where exposures have not been determined.
—"Small jobs" involve less than 25 linear feet or 10 square feet of thermal system insulation or surfacing ACM/PACM.
—Class II work involves removing ACM other than that in Class I. Examples include: wallboard, floor tile, roofing, siding, and mastics.
—Class III work involves repair and maintenance operations where ACM is likely to be disturbed.
4. Employees doing Class IV work in a regulated must comply with the hygiene practices of the other employees in the area.
—Class IV work during which employee contact, but do not disturb, ACM or PACM, and activities to clean up dust, waste and debris resulting from Class I, II and III activities.

F. What decontamination is required for "large" Class I jobs?

1. Decontamination area must be adjacent to, and connected with, the regulated area.
The decontamination area must have an equipment room, shower, and clean room in series.
—Employees must enter and exit through the decontamination area.
2. Equipment rooms must have impermeable, labeled containers to contain and dispose of contaminated PPE.
— Employees do not remove their respirators in the equipment room.
3. A shower area must be adjacent to equipment room and the clean room, unless the employer can demonstrate that this location is not feasible.
4. Where the shower area is not adjacent to the equipment room, before proceeding to the shower, employee must either—
—remove contamination from their work suits using a HEPA vacuum, or
—remove contaminated work suits and don clean work suits.
5. A clean change room must be equipped with storage containers for each employee.
—Employees must change into street clothing in the clean change rooms, or in a clean change area if a room adjacent to the equipment room is not feasible.
—Upon entering a regulated area, employees must don PPE and respirators in the clean room or area.
6. Lunch areas on site must be in areas where exposures are less than the PELs.

G. What are the decontamination requirements for "small Class I" jobs, or "Class II" or "Class III" jobs where exposures either exceed a PEL or haven't been determined?

1. An equipment room or area must be established adjacent to the regulated area, covered by an impermeable drop cloth on the floor or horizontal working surface.
—The room or area must have impermeable, labeled containers to contain and dispose of contaminated PPE.
—Area must be of sufficient size for cleaning equipment and removing PPE without spreading visible contamination beyond the area.
—Work clothing must be cleaned with a HEPA vacuum before it is removed.
—All equipment and surfaces of containers must be cleaned before removing them from the equipment room or area.
—Employees must enter and exit the regulated area through the equipment area.

H. What have our inspectors found regarding decontamination procedures?

1. During an inspection, one of our inspectors observed a briefing to Tunnel Shop personnel from a safety contractor (Mr. Hedges from "The Safety Company") on AOC decontamination policy.

—The stated goal was to use some General Industry and some Construction Industry requirements; that goal would not produce a compliant policy.

—The briefing resulted in a discussion of end-of-day showering versus showering to prevent contamination from spreading into other campus buildings.

—The only decontamination that our inspectors observed was the removal of PPE, which had been worn over the work clothes that are taken home for cleaning.

I. What information is required in monitoring records?

1. Monitoring records must include the following information [§ 1910.1001(m)(1) and § 1926.1101(n)(2)]:

—The date of measurement;

—The operation involving exposure to asbestos which is being monitored;

—Sampling and analytical methods used and evidence of their accuracy;

—Number, duration, and results of samples taken;

—Type of respiratory protective devices worn, if any; and

—Name, social security number and exposure of all employees whose exposure are represented.

2. The two required items that we have found to be of concern in the past are:

—The description of the operations lack sufficient detail to determine the potential sources and pathways of exposure.

—For example, there is no information associated with the single employee whose exposure is 3 times the PEL to offer an explanation as to why both of his sample results on that day were much higher than the others.

—All of the employees whose exposure is represented by a sample are not documented.

—For example, the descriptions that AOC provided indicated one or two people were doing the same operations in the same area and, presumably, their exposures would be similar. The names of these employees, however, are not identified in the records.

Senator ALLARD. Thank you. Now, rather than both your office and the AOC spending a lot of resources in litigation, I am interested in focusing on results wherever possible. Can the Office of Compliance work cooperatively with the Architect to come up with appropriate remedies to this, or has this litigation step made that impossible?

Mr. EVELETH. No. I would certainly prefer to do it that way. I think that is really what should be done. I think we should be working—we do work—we do meet with the Architect monthly on other matters, as well. And we have worked fairly cooperatively with them. And I do not see why it could not be done in this instance. I also think that we could be working as well with the Government Accountability Office (GAO), because we know that they are involved in this, as well. And I would think that the combined resources of all of us—and as I have said before, we all lay our cards out on the table, because this is one entity, this is the legislative branch. This is not *x* corporation versus something or other. This is one entity, and I look forward to working with the Architect and GAO, if at all possible, in this.

Senator ALLARD. I think one thing that would help us in working with him is to set priorities of those items that are most urgent to take care of and those that could be dealt with at a later time. We tried to work that out with our emergency supplemental request. But I think at some point in time we will ask you that question, and the Architect. So when you are discussing back and forth with one another, that would be an important helpful response for this subcommittee.

Mr. EVELETH. We would be certainly pleased to do that. And that is what we are trying to do.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION APPROVED METHODS FOR ABATING ASBESTOS

Senator ALLARD. Very good. Now the Architect of the Capitol testified last week that they were using Occupational Safety and Health Administration (OSHA) approved methods. From what you understand, are they using OSHA approved methods or not, or do you need to review the plan before you respond to that?

Mr. EVELETH. Is this with respect to asbestos?

Senator ALLARD. Yes. That is on the decontamination procedures.

Mr. EVELETH. Right. Right. Yes and no. We have reviewed some of the samples that we were provided and the data that accompanied that. I do not think that we received all the data yet. And in addition, we are also doing some asbestos testing ourselves, as an office. There are certain requirements that are set out under the OSHA regulations. And there are two problems that we are seeing now, and one is that there is a lack of a description of the operations, adequate description of the operations, that the tunnel workers, or whoever it is that is in the tunnel, could be the CMD people, as well as the tunnel workers who are doing work in the tunnels.

And there is a lack of sufficient detail to determine what it is that they are doing. That is very important in order to make a determination about whether the levels of asbestos exceed the standards. Because you could just be walking through the tunnel, and it is not—you are not—if you are not engaged in your usual activity, you are not in a position to judge what the degree of risk is.

And this is very important because the amount of protection that you are required to have, in terms of face masks and other things like that, come into play, depending on whether or not you are exceeding the exposure levels or not. If you exceed them greatly, then you need different kinds of masks than you would need if you are only exceeding it——

Senator ALLARD. If I remember his testimony, he talked about a half face mask——

Mr. EVELETH. Right.

Senator ALLARD [continuing]. As opposed to a full face mask.

Mr. EVELETH. There are full face masks there. And there are others, as well.

Senator ALLARD. Do you think there might be a need for a full face mask?

Mr. EVELETH. It would depend on the degree of exposure to asbestos.

Senator ALLARD. Okay.

Mr. EVELETH. And if there is a great deal, then you need a full face mask. And if there is even more than that, then you need something that actually pumps air, oxygen, into the mask and so forth.

Senator ALLARD. So you are not sure that they are complying with OSHA approved methods at this point. That is the bottom line. Is that correct?

Mr. EVELETH. I think that would be an accurate way of putting it. And also, there are issues, I think, that involve decontamination, that is to say, whether they provide a clean room for people to take off their work clothes, if there may be fibers of asbestos on it. There are certain requirements with regard to taking a shower before they go out of the area and so forth and so on. And some of those are still questionable.

Senator ALLARD. Well, when you review his report that you just received——

Mr. EVELETH. Yes.

Senator ALLARD [continuing]. Keep that question in mind. If you could give us a more complete answer back, we would appreciate that.

Mr. EVELETH. Okay. Happy to.

[The information follows:]

Question. Does the AOC follow OSHA-approved methods with regard to asbestos, in terms of personal protective equipment and decontamination procedures?

Answer. The type of personal protective equipment (PPE) that is required depends on the exposure level. For example, if the level of exposure does not exceed 10 times the permissible exposure limit (PEL), half-face mask respirators may be used. The limited sample data available to date shows the highest exposure is 3 to 3.5 times the PEL. If this were the highest exposure, then half-face mask respirators would be adequate. If, however, future samples were taken during operations that disturbed asbestos more than the samples taken to date, and the samples exceeded 10 times the PEL, full-face mask respirators would be required. See Asbestos Issues in the Tunnels and Vaults, B.1. below. Because we currently do not have sufficient data to ascertain whether the PPE now used in the tunnels is adequate, we cannot definitively determine the amount of asbestos to which workers are exposed in the course of performing their usual duties.

With regard to decontamination procedures, based upon limited inspection, it did not appear that the decontamination procedures followed by the AOC in April 2006 were fully code-compliant. As discussed more fully in Asbestos Issues in the Tunnels and Vaults, pp. 6–8, below, the OSHA General Industry Standard that applies to workers who maintain the tunnels and equipment within the tunnels sets forth specific protective measures for employees who are exposed to asbestos levels above the PEL. These include providing clean changing rooms with separate storage areas to prevent street clothes from being contaminated from protective clothing and equipment, showers, and limitations upon workers wearing protective equipment in areas outside the workplace. A second set of requirements is found in the Construction Industry Standard. We understand from recent discussions with the AOC that it will be revising its decontamination procedures to bring them into compliance with OSHA requirements.

AIR SAMPLING

Senator ALLARD. Now, unfortunately, the Architect of the Capitol has not consistently and systematically sampled the air in the tunnels for the presence of asbestos. And as a result, we have no documentation on what exposure there may have been in the past. Is AOC currently using appropriate methods of sampling? Can you answer that question?

Mr. EVELETH. I would prefer, if I could, to defer to submit this afterward, because I would rather use the knowledge of my safety experts on that. And they could give you a much more detailed and——

Senator ALLARD. That would be fine.

Mr. EVELETH [continuing]. Precise answer. Because I am a lawyer, as you know, and——

Senator ALLARD. Okay. I will give you some time to do that. I am wondering is it unreasonable to request that you respond back to our concerns within 10 days?

Mr. EVELETH. I think we could certainly do that.

Senator ALLARD. Okay. Well, we will expect it in 10 days. If you cannot, if you would notify the subcommittee——

Mr. EVELETH. I will do so.

Senator ALLARD. I would appreciate that.

Mr. EVELETH. Right.

[The information follows:]

Question. Is the AOC currently using appropriate methods of sampling the air in the tunnels for the presence of asbestos?

Answer. Sampling asbestos correctly necessitates collecting samples under all several scenarios, from those with the most exposure risk to those with the least. This includes taking samples under circumstances under which asbestos may be disturbed and become airborne. In our discussions with the AOC, it appears that it recognizes deficiencies in the methods it has employed in taking asbestos samples. Specifically, there are too few samples, taken under circumstances that are the least likely to disturb the asbestos, and the monitoring records lack sufficient detail to determine potential sources and pathways of exposure. For example, the monitoring is unrepresentative because the samples we reviewed were not taken when employees were performing duties such as performing repairs or using equipment likely to disturb asbestos and create greater exposures. Specific details follow in Asbestos Issues in the Tunnels and Vaults, A. 6&7 & I, below.

DISTANCE BETWEEN EGRESS POINTS

Senator ALLARD. With respect to the new utility tunnel for the Capitol Visitor Center, we had some discussion on that in our last hearing as to the appropriate travel distance between egress points in such tunnels. Now that is a 750-foot tunnel that has no escape hatches. Is there a safety code that mandates what the distance should be?

Mr. EVELETH. Yes, there is. And I would—let me give you, if I may, a brief response to that. And I will also supplement that, if I may. But it is my understanding, after speaking to our safety experts is that yes, there is a requirement. And as we understand it, the distance, there should be an exit at least every 800 feet, which means—in other words, there would be a 400-foot travel distance for an employee to get to an exit. It is every 800 feet if the tunnel is fire sprinkler protected. In other words, you get a greater distance if there is a sprinkler in there. If there is not——

Senator ALLARD. Is that tunnel that was just constructed fire sprinkler protected?

Mr. EVELETH. We have not inspected that. I do not know the answer to that. But I do know that that is the requirement. In other words, there would be 600 feet between exits if it is not fire sprinklered. It is 800 if it is fire sprinklered.

Senator ALLARD. I see.

Mr. EVELETH. So that in this instance, it is assuming that it is not fire sprinklered. It would appear—but, of course, we have not inspected it. We do not know what it looks like. There may be something that we do not know about it. So I do not really want to opine more than I just have.

Senator ALLARD. Now there seems to be more confusion. The Department of Labor has their Occupational Safety and Health Administration and they have a fire code here. It is the NEPA 101

Life Safety Code. If I refer to that document, does that make sense to you?

Mr. EVELETH. Yes.

Senator ALLARD. Okay. In that document, in paragraph 40.2.6.1, they say the travel distance measured in accordance with section 7.6, that is the travel distance to exits, shall not exceed 200 feet or 60 meters.

Mr. EVELETH. Right. But I believe that there is another section, which is 40.2.6.3.

Senator ALLARD. Okay. Well, I think we are confused on the subcommittee. I am wondering if you can resolve this.

Mr. EVELETH. Certainly.

Senator ALLARD. And get a memo to us on that.

Mr. EVELETH. Right. Because there is a special exit travel distance requirement for low and ordinary hazard special purpose industrial occupancy. That is the way it——

Senator ALLARD. Okay.

Mr. EVELETH. And that is apparently a more lenient issue.

Senator ALLARD. It depends on the type of tunnel that you are dealing with.

Mr. EVELETH. That is correct. That is correct.

Senator ALLARD. Okay. Well, if you would work that out.

Mr. EVELETH. Sure.

Senator ALLARD. And we are interested in making sure that we are meeting the code with the new tunnel.

Mr. EVELETH. Right.

Senator ALLARD. That is the bottom line.

Mr. EVELETH. Right.

[The information follows:]

Question. Clarify the travel distances between escape hatch for tunnels (with and without sprinkler). Which Life Safety code applies under what circumstances?

Answer. The Life Safety Code was developed to provide protective measures for building occupants when there is a fire. However, the main hazard in Capitol Hill utility tunnels is a steam leak. Although most of the time when safety people think about a "travel distance" issue, they think of fire safety and the Life Safety Code, unfortunately, there is not a specific tunnel safety code. Although we are not certain what standard should apply in steam tunnels, we want to be very sure we understand what the generally applied practice is. There probably is an "industry practice" for the major tunnel designers and builders, and we have been received some preliminary data that indicates it may be about 500 feet, from exit to exit (point-to-point). We need to ascertain the industry practice in order to determine if the General Duty Clause of the Occupational Safety and Health Act applies in this circumstance; if there is an industry practice, the General Duty Clause requires that it be followed.

Some of the remedies in the Life Safety Code to protect tunnel occupants from fire could actually make conditions in the tunnels more hazardous, if a steam leak were to occur. For example, a fire barrier would not help, because it would compartmentalize sections of the tunnel and cause steam buildup and intensity. If steam leaks, what the workers need to be able to do is to run away from the leak and get out of the area or tunnel. In the case of the Capitol Visitor Center utility tunnel the only safety item at issue is whether the distance between the two exits is too great. The tunnel was installed with only two exits—one at either end, with the distance between exits of almost 800 feet.

We have had discussions of this issue with the AOC and the CVC contractors who built this tunnel. A review of the engineering consultant's assertions to the AOC would appear to indicate that there is no outside limit to the travel distance that is required under the Life Safety Code due to the way the engineering contractor characterized the tunnel. We disagree with the underlying assertion that unlimited distance is acceptable, since, among other factors, the industry practice would suggest otherwise.

What we have been told by the AOC is that installing another egress point would be expensive and that there is no money for doing it. This week, the Office of Compliance met with representatives from the AOC and the CVC contractors, and explained to them that we wanted to do further research into the issue and verify what is the "acceptable norm" for tunnel egress, as a matter of industry practice. Until we've completed our research, the OOC is not taking the position that another egress is needed in the CVC tunnel, but we do want to find out what other organizations are doing when they build new utility tunnels. We anticipate that we will reach a conclusion by the end of this month, and we will so advise the Subcommittee.

If an additional egress is required, the additional construction may be done after the CVC has been opened to the public. Hence, the opening need not be delayed by this consideration.

FIRE ALARM SYSTEM IN THE CAPITOL VISITOR CENTER

Senator ALLARD. As you know, a debate is going on now between the Architect of the Capitol's fire marshal and the Capitol Police Board as to the fire alarm system in the Capitol Visitor Center. Do you have any comments as to how this issue can be resolved expeditiously, and who ultimately should have the authority to make the final determination?

Mr. EVELETH. We have not been involved in these discussions or consulted in these discussions, but I think we are generally aware of the position of the fire marshal. Our position has been during our inspections, and this does not deal with the CVC, but our belief is that, certainly except for the Capitol, our belief is that if a fire alarm is pulled, then the alarm should go off. And rather than having it do what it does in the Capitol, where there is an annunciator board, and the Capitol Police then go and check to see whether there is actually a fire or not. And then they come back and do what they need to do. If there is a fire, obviously they allow the alarm to go off.

That is a unique situation. And it is unique. And for a number of good reasons, it is done that way. But it is done that way because there are a large number of Capitol police available, which means that they can travel to the location of wherever that fire alarm has been pulled in short order and get back and do something about it.

That is not the case with some of the larger office buildings on the Hill. And that is not the case with the visitor center, as well. So it would be—our belief is that when a fire alarm is pulled, that the alarm itself should sound.

Senator ALLARD. So your recommendation would be to treat the Capitol Visitor Center like any of the other large buildings around and still keep the Capitol under its exemption status because of the number of officers that are available in the immediate area.

Mr. EVELETH. That is correct.

Senator ALLARD. I see. I understand that that is the position of the fire marshal.

Mr. EVELETH. Right.

Senator ALLARD. But it is not the position of the Police Board. Is that correct?

Mr. EVELETH. That is correct. Right. Now your other question was who should make the decision, I believe.

Senator ALLARD. Yes.

Mr. EVELETH. And normally the decision like that is made by the authority having jurisdiction, which, of course, is a term of art in the building industry. And normally that is an authority that is sort of independent of the parties in the sense that, for example, if I am a builder and I want to do something, I either have to follow code or I have to come up with something that provides the equivalent level of safety and protection, safety protection. And it is usually some independent entity that makes that decision.

A number of years ago, a couple of years ago, the Architect asked to be designated as the authority having jurisdiction, so that it could in effect waive the prescriptive requirements and implement its own. This agency notified the Senate that it objected to that position, because it felt like it needed the separation between the individual deciding the case and the—I think that the——

Senator ALLARD. So the OOC has notified the Senate that they do not think there is enough distance between the Architect, as far as personal culpability, I guess, for you to be happy with the Architect making the decision. Is that right?

Mr. EVELETH. We would not be happy with the Architect being the authority having jurisdiction over matters of which it is itself both an advocate for change and approving the change. And so that was the position we took then.

Senator ALLARD. I see.

Mr. EVELETH. Our position——

Senator ALLARD. Now where did that recommendation go to?

Mr. EVELETH. I cannot recall. We received notice that they had asked for that authority. And we wrote a letter. And I cannot tell you at this point——

Senator ALLARD. Well, you had asked through the appropriation process.

Mr. EVELETH. It could have been. I can dig that up. I just do not remember off the top of my head.

Senator ALLARD. Okay.

Mr. EVELETH. But what I am getting at is I think we also took the position then that the Office of Compliance is a perfect model for being an authority having jurisdiction. That is to say, it is an independent entity that can make judgment about health and safety issues. And I would think that would also be true in this sort of situation.

Senator ALLARD. Okay.

Mr. EVELETH. And there is a full method of litigating that, really, if they object and we would issue a citation, I mean, our board would decide. And if they wanted to challenge it in the court, they could do that. Hopefully, it would not come to all that. But it is the principle that we are talking about.

Senator ALLARD. Hopefully you would work it out and quickly.

Mr. EVELETH. Right. Right. We would do it, we would hope to do it quickly.

Senator ALLARD. Okay.

Mr. EVELETH. We think the law is pretty clear on this.

[The information follows:]

Question. With regard to the debate between the Fire Marshall and the Capitol Police Board as to the fire alarm system in the Capitol Visitor Center, how can this issue be resolved expeditiously? Who should have the authority to make the final

determination? When and to whom in the Senate did the OOC recommend that the AOC not be the authority having jurisdiction (AHJ)?

Answer. Relevant to the question of the proper procedures to be applied in the operation of the fire alarm systems in the CVC are the findings by the OOC's General Counsel described in his biennial report to Congress, Report on Occupational Safety and Health Inspections during the 108th Congress pursuant to the Congressional Accountability Act, pp. 19–21 (excerpt attached). As noted in that Report, under the Fire Code, a fire alarm system is required that activates a general alarm throughout a building to alert occupants of fire or other emergencies.

There are two exceptions to this requirement. First, a positive alarm sequence is permitted that allows a three-minute delay in the activation of the general alarm. Trained personnel are allowed up to 180 seconds to investigate; if the system is not reset, all alarms are activated automatically. This delay is intended to permit an investigation to determine whether there is a false alarm. The AOC Fire Marshal has endorsed the use of the pre-signal sequence in the Capitol building where there is a sufficient number of trained officers on duty to enable them to complete an investigation within three minutes. The second exception permits a pre-signal system that requires that the initial fire alarm system be automatically transmitted without delay to a municipal fire department and an on-site person to respond to a fire emergency. The specific deficiencies in the existing fire alarm system procedures in the House and Senate office buildings are discussed in detail in the Report.

With regard to who should have the authority to make the final determination on this and other issues, we noted some of this agency's concerns in a letter to the Honorable C.W. Bill Young dated February 20, 2004 (copy attached). Although the Life Safety code does have not any conflict of interest restrictions, other building codes do place such restrictions on the official enforcing the code. If the Appropriations and relevant Oversight Committees determine that the Office of Compliance should be specifically designated as the authority having jurisdiction over these matters or to resolve disputes between other entities, the Office is well-situated to handle such responsibilities. Indeed, under the Congressional Accountability Act, the Board of Directors of the Office of Compliance is designated to serve as a neutral forum for resolving all disputes arising under the CAA, subject to court review.

In particular, Congress vested the Board with the authority to determine whether a modification in the application of a health or safety standard is warranted because of special circumstances. In particular, by virtue of § 1341(c)(4) of the CAA, employing offices may request from the Board of Directors of the Office of Compliance variances from the health and safety standards otherwise applicable by showing that the alternative proposed would provide a place of employment which is as safe and healthful as required by the standard from which the variance is sought. Procedural Rules of the Office of Compliance, § 4.26 (b)(4). Alternatively, the citation and/or complaint procedures under the Office of Compliance's Occupational Safety and Health Act jurisdiction could be followed to make a final decision on the issue.

Senator ALLARD. Thank you for your testimony. You have been helpful.

Mr. EVELETH. Thank you.

GOVERNMENT PRINTING OFFICE

STATEMENT OF BRUCE R. JAMES, PUBLIC PRINTER

ACCOMPANIED BY:

MIKE WASH, CHIEF TECHNICAL OFFICER
STEVE SHEDD, CHIEF FINANCIAL OFFICER

Senator ALLARD. We will go to the next panel now. Our next panel will be the Government Printing Office.

I want to welcome Mr. Bruce James and his team. GPO is requesting $151 million, an increase of $29 million over the current year or a 24-percent increase. The increase is in part due to the requirement to update the U.S. Code over 6 years, as well as some initiatives to further modernize the agency.

Mr. James, you have accomplished much in your 4 years as Public Printer, and we appreciate your service. You have a great deal to be proud of, including reversing the trend of annual losses at the Government Printing Office, revamping the agency into, as you put it, a 21st century digital platform capable of addressing ongoing technological changes in how information is processed and disseminated, and developing new business lines, such as the electronic passports.

You will be a tough act to follow. And we hope you will stay on in the Government Printing Office until the President can find a suitable replacement. We look forward to reviewing the various initiatives you have requested for fiscal year 2007 and a status report of your efforts to make further improvements to modernize the Government Printing Office.

You may proceed with your testimony now, Mr. James.

OPENING REMARKS OF BRUCE R. JAMES

Mr. JAMES. Thank you and good morning, Mr. Chairman.

Senator ALLARD. Good morning.

Mr. JAMES. I have a statement I would like to submit for the record.

Senator ALLARD. I will ask unanimous consent. Without objection, we will do that.

Mr. JAMES. Thank you. And I will make a few opening remarks. But before I do, I would like to introduce two of my colleagues at the table with me. The first is Mike Wash, who is the Chief Technical Officer of the Government Printing Office. Mike came in about 2 years ago to join us and has the responsibility for evaluating new technologies that are coming down the road that could impact Government printing, particularly the dissemination of Government information.

He also has a responsibility for the development of what we are calling the future digital system, which is the system that will ingest all Government information and then be in a position to re-

process that information and send it to the Internet or send it out for printing or however else in the future someone might want to use it.

I also have with me Steve Shedd, who is the Chief Financial Officer of the Government Printing Office. Steve has been with us for nearly 3 years now. He came to us after experience in the private sector both with private and public companies as a chief financial officer. And they will assist me, if you ask me any tough questions.

Now as I was sitting in the audience, Mr. Chairman, I could not help but observe your shirt. And, you know, some people might just say, well, this is just another shirt with, you know, a suit. But as I sat out there, I was trying to think of the exact mix of cyan, magenta, yellow, and black that I would use to print that shirt, to reproduce it. And, you know, that got me thinking that much of what we do at the Government Printing Office is just that subject, that there is a certain mix of colors that we would use in printing ink to reproduce that shirt accurately.

That would be analog printing, of course. But interestingly enough, if we presented it in a digital form on a TV set or on a computer screen, there would be a different set of primary colors involved with it. And I think what has happened here not only in the Government, but what has happened in the information industry, is that for many, many years we went along as if everything would be printed. So all of the information was gathered. It was maintained. It was coded for future printing.

And what we found, of course, today is that printing is just one way of delivering information. As a matter of fact, much of the Government's information is now being delivered in digital format, as you are well aware. Last year, the Government Printing Office put 92 percent of all Government publications on the Internet. And the 8 percent missing is because we have not figured out how to do maps and other kinds of things, but we will get there.

So we are making great progress. There are certain things that we are focused on, in particular that I am focused on, in my last months of service. First is the GPO building complex itself. In terms of square footage, the complex is twice the size of the Capitol. It is almost the size of the Empire State Building. It is a very large building complex that was built for a different purpose than the enterprise that we have today. At one time, there were nearly 10,000 employees housed in the Government Printing Office buildings. Today we are down to just above 2,000. And we do not see that number of employees climbing greatly.

So we have a facility that is obsolete in every way. Now rather than come to this subcommittee and to Congress and ask for public funds to replace that building and re-equip it for the future, instead we have worked out, I think, a very ingenious plan for converting the existing real estate we have into cash that would allow us to build a new building and equip that building as we need to do without losing title to that property for the Government.

What is significant about that is that about $35 million of what we spend each year at the Government Printing Office goes to the maintenance of this obsolete campus. And it is money that we would not have to otherwise spend if we were not there.

And, you know, I sit here in front of you asking for a relatively modest amount of money. But I want you to think about that $35 million that we are spending each year that we do not have to spend. If we get on with this building project, we will be able to actually reduce the request to this subcommittee for appropriations each year. So any help that you can give us in helping to move this project along, we would much appreciate it.

The second very important thing that we are engaged in is the building of the future digital system, which falls under Mike Wash. That system, as I mentioned 1 minute ago, is the future. What it will do is take Government information into the system. It will not be coded for printing. It will have a generic coding scheme in it that both identifies the kind of information it is, whether it is a headline or a paragraph or what it is.

It also will contain the source, who created the document, when was it created, that type of information. And it will be stored in such a way that it will allow us to authenticate the fact that the information is actually what the author wrote. It will allow us to preserve that information in perpetuity. And it will allow us to repurpose that information and send it out however the Government might require it in the future, or however a public user might want that information in the future.

The third thing that I think is very important is that it is one thing to take the ongoing information of the Government and be prepared to deliver it digitally. But, you know, we have a 200-year history. And that history is very important. We have tons, carloads, trucks, warehouses full of paper all across the country that represent the legacy documents of the United States Government.

Now we are very fortunate to have 1,250 library partners in the Federal depository library system, which has maintained those books for us in print, and not only maintained those books, but most importantly have helped the public get the information from those books.

But our libraries are changing. The entire world is changing. And we have to be able to go back and digitize that legacy collection and also make it available over the Internet. Now we believe we probably can find the funds to do this ourselves, with not much help from Congress.

The next area that we are focused on is workforce retraining. We have a lot of people at GPO that are used to the analog world, those who once set type with linotype machines, once made plates, once operated offset presses. And I do not believe they are threatened in any way by the changes that we are talking about. As a matter of fact, our 23 bargaining units have been very supportive of the changes that we are making. And I think the reason is that over our 145-year history we have been through many technological changes, each of which made the Government Printing Office stronger. And they see this as just part of a pattern.

But we owe it to these folks to build on the skills that they have acquired over the years, to now introduce and train them in new digital skills. And we are focused on that.

We also are focused on replacing our legacy computer systems. You hear this, the Appropriations Committee hears this, almost from every agency. When I walked in the door, I could not believe

the state of the computer systems. I mean, these were machines that I had not seen in 30 years that were held together with spit and chewing gum. And as our employees retire, we had a 81-year-old retire not so long ago, I mean, we are losing the skills that are required to keep those systems up to date. So we are in the process of replacing our legacy computer systems with state-of-the-art equipment that is properly sized, properly constructed to be able to allow us to move along in the future. And we are asking for help in regard to replacing those systems.

PREPARED STATEMENT

And the last thing that we are all focused on, particularly Judy Russell, the Superintendent of Documents, with me, and that is working with our Federal depository libraries to create the Federal depository library system of the future. It is clear that as we change in the way we process information, libraries, too, are changing. And we want to make sure that we are completely aligned with our libraries. These have been very valuable partners for many years. And we do not want to lose the value of that partnership, which we believe is helping the American public find and use Government information.

And that concludes my opening remarks, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF BRUCE R. JAMES

Mr. Chairman and Members of the Subcommittee on Legislative Branch Appropriations: It is an honor to be here today to present the appropriations request of the U.S. Government Printing Office (GPO) for fiscal year 2007.

Mr. Chairman, this will be the last time I have the privilege of appearing before you. Over the past three years, with the strong support of this Subcommittee, we have managed to turn GPO in a new direction, one that promises a positive future for our great agency for many years to come. Now, after three and a half years of working to achieve that result and much more, it is time for me to begin the plans for return to my home in Nevada. My pledge was to remain as Public Printer for the 3 to 5 years it would take to reposition GPO for the future. I have advised the President that I will continue to serve until a new Public Printer is chosen. I want to assure you that I will work hard to make a smooth transition of leadership so that GPO does not miss a step going forward.

2005 RESULTS

Since my appointment as Public Printer, we have been transforming GPO into a 21st century digital platform capable of addressing ongoing technological changes in how information is processed and disseminated.

Our goal is to provide Government information in the form and formats our customers want and need in this burgeoning digital era, and to ensure that the abiding mission of the GPO—Keeping America Informed—continues to be carried out for generations to come.

A primary order of business has been restoring and maintaining GPO's financial health. I am pleased to report that our efforts to modernize and prepare GPO for the future, with Congress's support, are generating measurable—and ever improving—returns to GPO's bottom line.

Net income from consolidated GPO operations for fiscal year 2005 increased to $6.1 million from $1.3 million the previous year, reversing the pattern of losses from the last decade. We also recorded another reduction to our long-term liability for the Federal workers compensation program.

Our financial turnaround has also been aided significantly by efforts to right-size GPO's workforce through voluntary separation incentive programs supported by Congress. In 2003 and 2004 we reduced GPO's workforce by 542 positions, resulting in a savings in personnel compensation and benefits costs of about $38 million annually.

During the first quarter of fiscal year 2006, another incentive program, which was carried out under the Consolidated Appropriations Act for Fiscal Year 2005 (Public Law 108–447), resulted in a further reduction of 89 positions. Recurring annual savings from this recent program will be approximately $8 million commencing October 1, 2006.

Fiscal year 2005 marked a turning point in our transformation efforts with the release early in the year of our Strategic Vision for the 21st Century, which was transmitted to Congress and distributed to GPO's stakeholders in both the public and private sectors.

This document provides a framework for how our transformation goals—development of a digital content system to anchor all future operations, reorganization of the agency into new product- and service-oriented business lines along with investment in the necessary technologies, adoption of management best practices agency-wide including retraining to provide needed skills, and relocation of the GPO to facilities that are sized and equipped to meet our future needs—will be carried out and funded. During the year we made significant progress in each of these directions.

The core of our future operations will revolve around a digital content system that we currently refer to as FDsys, for Future Digital System. FDsys is being designed to organize, manage, and output authenticated content for any use or purpose.

With the approval for transferring the unexpended balances of prior year appropriations to GPO's revolving fund, we secured the majority of the funds we will need to bring FDsys into operation. In the development of this system, we are engaging key elements of our customer community in Congress, in Federal agencies, and in the library community, and we are working under the guidance of the Joint Committee on Printing.

We created a new business line for Security and Intelligent Documents in 2005 that consolidates our longstanding expertise in security documents and offers a broad range of consultative services to Congress and Federal agencies attempting to respond to new standards and statutory requirements in this area. An early product of the unit was the security printing requested by the Joint Congressional Committee on the Inauguration to support the first Presidential inaugural ceremonies since 9/11. This business unit is working closely with the Social Security Administration, the State Department, the Department of Homeland Security, and other Federal agencies with secure and intelligent documents responsibilities.

We also created a new Digital Media Services business line to provide essential retraining in digital production skills and eventually generate content from legacy documents for ingest to FDSys. We are developing an efficient and cost-effective approach to legacy digitization to be carried out by this new business line, and are currently engaged in a demonstration project as approved by the Joint Committee on Printing.

During 2005 we endowed other business lines with new capabilities. To improve plant production efficiency and broaden the range of product and service options for Congress and Federal agencies, we invested in a variety of new color and digital production technologies.

We augmented our expert printing procurement services by partnering with a nationwide firm to provide innovative new convenience duplicating and printing services to Federal agencies across the country. This contracting mechanism features provisions for capturing Federal documents electronically, which will significantly assist our efforts to broaden the availability of Federal information for public access and reduce the incidence of "fugitive documents." We also significantly increased the dollar limit on our popular simplified purchase agreements, expanding and simplifying the ability of Federal agencies to procure products and services directly from lists of pre-qualified vendors without first having to go through GPO.

Under the leadership of GPO's Superintendent of Documents, we engaged the depository library community in a dialog to define the future of the Federal Depository Library Program while continuing to move the Program toward a predominately electronic basis as required by Congress. The total number of titles we now make available on GPO Access (www.gpoaccess.gov) increased to more than 300,000, with an average of 37 million retrieved every month, and the dollars we now dedicate to distributing print publications to depository libraries has fallen by at least 50 percent over the past decade.

In our Sales of Publications Program, we developed a plan to partner with private sector sales and distribution providers who can expand Government publications sales offerings to the public, implementing a key recommendation of a management audit of GPO ordered by the House and Senate Appropriations Committees in Public Law 105–55. The plan would also return a portion of the revenues to GPO. We have issued a Request for Proposal for these services.

We continued work on our Oracle enterprise system, which will replace a number of labor intensive accounting and inventory functions with IT solutions, reducing cost and speeding work throughput. Expanded employee training opportunities were also made available, ranging from new offerings on the shop floor to "transformational leadership" seminars for all supervisors and managers. Our Digital Conversion System will also provide new retraining opportunities.

Although the GPO is not subject to the Government Performance and Results Act (GPRA), we take the spirit and intent of its provisions seriously, particularly its emphasis on performance measurement. During the year we worked to design systems to provide quantitative measurement in evaluating the progress of our strategic and management initiatives, and in this request we are seeking funds to implement that system.

Progress toward our goal to relocate the GPO to new facilities moved ahead in fiscal year 2005 with the delivery of a formal plan for this project by our expert real estate advisory consultant. The plan, along with draft legislative language to authorize the project, was submitted to our oversight and Appropriations Committees accompanied by legislative briefings. We also began work on a plan to establish an ancillary production site for passports and other essential Government documents, and will be consulting further with our oversight committee on this matter this year.

FISCAL YEAR 2007 REQUEST

Our fiscal year 2007 appropriations request is designed to provide for:

—Continuation of our congressional printing and binding operations and information dissemination services at required levels;

—Essential investment in projects to continue the transformation of the Federal Depository Library Program to a predominately electronic basis, by improving the cataloging, preservation, authentication, and provision of public access to electronic Federal Government information; and

—Investment in information technology to improve the efficiency and effectiveness of GPO's operations, and completion of the program we have begun to retrain GPO's workforce to meet changing technology demands.

Congressional Printing and Binding.—For the Congressional Printing and Binding Appropriation, which covers printing and related services for Congress, we are requesting $100,285,000. This is an increase of $13,076,000 over the level provided for fiscal year 2006. As you know, the funding level provided for this appropriation in fiscal year 2006 is equal to fiscal year 2005, minus the one percent rescission. The increase is required to cover mandatory pay and price level changes and projected changes in specific congressional printing categories based on historical data, and is partially offset by ongoing improvements in productivity. Mandatory items include funding for the production of the 2006 Edition of the U.S. Code, which by law is fully updated and issued every six years by the Office of the Law Revision Counsel, as well as required support capabilities residing at the alternative computing facility. Our request also provides funding to begin investment in a new generation of publishing systems that will be capable of fully supporting Congress's current and future information product needs.

Salaries and Expenses Appropriation.—For the Salaries and Expenses Appropriation of the Superintendent of Documents, we are requesting $43,000,000, an increase of $9,996,000 over the level provided for fiscal year 2006. This appropriation provides for the cataloging, indexing, and distribution of Government publications to Federal Depository and International Exchange libraries and other recipients designated by law.

The increase is necessary for mandatory pay and price level changes, increased information technology support costs, and distribution of the 2006 edition of the U.S. Code to depository libraries and other recipients as required by law. Equally as important, our request includes funding for essential investments to sustain our commitment to meeting the changing needs of the Federal Depository Library Program (FDLP) in the digital era. For fiscal year 2005, 71 percent of all new titles made available to the FDLP were in online format only, while an additional 21 percent of new titles were in electronic and one or more tangible formats such as print or microfiche. Only 8 percent of new were made available in print only. In other words, 92 percent of new titles in the program were made available online, whether or not there were tangible equivalents.

As this data shows, the FDLP is now a predominately electronic program. The funding increase we are seeking will nurture and sustain the digital transformation of the FDLP, expanding the availability of the program's resources nationwide while providing for essential improvements to ensure permanent access and authenticity.

The projects we are proposing include digital conversion of GPO's pre-1976 cataloging records to expand the availability of our online catalog resource; targeted capital investment for authentication and other technologies supporting GPO Access; authentication and cataloging of Web-harvested documents; and essential training for depository librarians and other user support.

Our request is also designed to advance another key initiative of our strategic vision for the future. In cooperation with the Library of Congress and the National Archives and Records Administration (NARA), we are developing an agreement under which the three agencies will make a concerted effort to digitize and provide online public access to Federal documents reaching back to the Nation's earliest days. As a result of this effort, the comprehensive historical collection of Federal publications—reports, legislation, congressional proceedings, executive orders, presidential papers, regulations, and more—will be available for search and retrieval at the push of a button from any library, classroom, office, or home. We are now involved in a demonstration project for legacy digitization.

As our society becomes increasingly electronic, the demand for access to Government information—including information that until now has been available only in print—is growing. Several elements of both the public and private sectors have begun to respond to need for retrospective digitization to meet that demand and reduce costs to libraries. These efforts are commendable, but with their proliferation there is a growing need for an approach that will ensure standardization, comprehensiveness, and efficiency while preventing wasteful overlap and duplication of effort. I have met on this subject with the Librarian of Congress and the Archivist of the United States and we expect to conclude an agreement on this effort in the near future. While GPO will fund its role in this effort from available resources, our request for fiscal year 2007 includes $2 million to provide data tagging and related technical support for newly digitized content that is made available to the FDLP.

Revolving Fund.—For GPO's revolving fund, we are requesting an appropriation of $8,231,000, an increase of $6,251,000 over the level provided for fiscal year 2006.

This will provide funds to acquire essential information technology infrastructure and systems development, including risk reduction and security enhancements, computer-aided manufacturing, replacement of our antiquated job-cost reporting system, implementation of a Government Performance and Results Act (GPRA) compliance system, and other measures. Our request will also be used to complete the training program we have initiated with fiscal year 2006 funds to define GPO's workforce needs, assess the skills of current employees, identify the gaps, and design and deliver targeted, just-in-time training to close those gaps. A well-trained workforce and modernized information technology architecture are prerequisites to implementing our vision of GPO's digital future.

Mr. Chairman and Members of the Subcommittee on Legislative Branch Appropriations, thank you for all the support you have shown for our efforts to transform GPO. With your support we can continue our record of achievement. We look forward to working with you in your review and consideration of our request.

FACILITY RELOCATION

Senator ALLARD. Well, thank you for your testimony, Mr. James. We have just a few questions here.

It appears that your plans to move the Government Printing Office out of the current facility are not moving along quite as expeditiously as you would like. If the Government Printing Office is unable to relocate in the near future, how will that impact the Government Printing Office's plans to further modernize its operations?

Mr. JAMES. Well, we are not going to let a building stop us. I mean, the Government Printing Office is not about a building. It is about systems and people. And so we are not about to let a building stop us. But I think this is maybe even more personal to me as the leader of the GPO. It just to me is a travesty to allow taxpayer money to be flushed down the drain the way we are doing this.

I mean, we can do a better job. And that is what I have been working at, to try and give the taxpayers a better deal on this. And I know that you have, too. This subcommittee and the House Ap-

propriations Committee have been working with us all the way along on trying to get this done, too.

TOP CHALLENGES

Senator ALLARD. What are the top challenges that you face or the Government Printing Office faces? And what advice would you provide for your successor?

Mr. JAMES. Well, I think the things I've talked about today are the remaining big challenges in front of the Government Printing Office. The most important things, I think, that I have done over the last almost 4 years are to make certain we had the right people in the right positions and then to help them to develop a long-term strategy that would serve the American public and serve Congress, and then to help get that program off and going. And we are there.

The remaining big challenges include the redevelopment of the building. And, you know, it is not just a matter of getting congressional approval to proceed. Once we have that approval, there is a big challenge of finding a new location for the GPO and hiring an architect and building a building and equipping that building. So that is probably the largest challenge.

And I think that everything surrounding digital information is the other challenge. I think Mike Wash and his team are doing a superb job of building the system, but it will require continual attention and strict attention to make sure it is successful.

BUDGET PRIORITIES

Senator ALLARD. Given the budget constraints we are faced with, it is unlikely that we are going to be able to come up with a 24-percent increase. It will probably be something less than that. And as I have asked of all the other agencies, I hope you can give us a prioritized list, because that would be very helpful as we negotiate with the House on this, if we know which things are most important to you. I would hate to think that in the negotiating process we gave up the most valuable for something of less importance.

Mr. JAMES. Sure.

Senator ALLARD. So it would help us to make sure that your agency gets its badly needed resources in the proper priority.

Mr. JAMES. We would be pleased to do that. And I think we have a good relationship with staff and would be pleased to work with them and help them understand the priorities.

Senator ALLARD. If you could do that, for the record, we would appreciate it.

Mr. JAMES. Yes, sir, be happy to.

[The information follows:]

GPO FISCAL YEAR 2007 APPROPRIATIONS PRIORITIES

CONGRESSIONAL PRINTING AND BINDING

	In millions
Fiscal year 2006 Enacted Level	$87.2
Fiscal Year 2007 Requested Level	100.3
Total Increase Originally Requested	13.1

Approximately $12.1 million is needed for essential requirements, including funding for mandatory pay and price changes to cover contractual wage agreements and inflation, an adjustment to the fiscal year 2006 base to cover a projected shortfall for fiscal year 2006 (which will be funded from unexpended balances of prior year appropriations transferred to the revolving fund last year), anticipated workload increases in several congressional printing categories based on projections from historical data, and the production of official and bylaw copies of the 2006 edition of the U.S. Code in accordance with statutory requirements.

Additional requirements of $1 million include funding for a planned replacement of GPO's Microcomp composition system, which will require the approval of the Joint Committee on Printing.

	In millions
Essential Requirements:	
Mandatory pay and price changes	$2.3
Adjustment to fiscal year 2006 base	1.4
Anticipated workload increases	3.7
Production of 2006 U.S. Code	4.7
Total	12.1
Additional Requirements: Microcomp replacement	1.0

SALARIES AND EXPENSES

	In millions
Fiscal Year 2006 Enacted Level	$33.0
Fiscal Year 2007 Requested Level	43.0
Total Increase Originally Requested	10.0

With the exception of the mandatory pay increases and the printing and distribution of copies of the 2006 edition of the U.S. Code to depository libraries, GPO's requested increase of approximately $10 million covers projects directly related to the broad range of information life-cycle activities required by the congressionally-mandated transition to a primarily electronic Federal Depository Library Program (FDLP) and to building the infrastructure to support it. Because these activities are interrelated and support each other, GPO must proceed with multiple priorities to meet Title 44 mandates in the online information environment.

If funding at the originally requested level is not an option, GPO will scale back digital initiatives or slow down progress on the electronic transition rather than pursue one or two priorities to the exclusion of others. Elimination or more substantial reduction of any of these activities through funding prioritization will necessitate consultation with the depository library community.

If appropriations cuts are required GPO could still support its mission with essential requirements totaling approximately $7.1 million, a 29 percent reduction from the initial request for the Salaries and Expenses Appropriation. These requirements include mandatory pay and related costs, printing and distribution of the 2006 edition of the U.S. Code for depository libraries, expenses due to investment in IT and GPO's Future Digital System (FDsys), FDLP training and user support of FDsys (with funding reduced by 20 percent, or $265,000, from the original request), conversion of pre-1976 cataloging records (with funding reduced by 63 percent, or $500,000; implementation of this project will be modified from a single multi-year contract to multiple single-year contracts, with requests for funding to be made in subsequent years), cataloging of web-harvested documents (with funding reduced by 10 percent, or $63,000), authentication of web-harvested and digitized documents (with funding reduced by 10 percent, or $45,000), and capital expenses associated with authentication and access.

Additional requirements shown below total approximately $2.9 million. They include funds for data tagging and processing new digitized content for access (while a demonstration project for legacy digitization has been authorized by the Joint Committee on Printing, GPO does not yet have authorization for the full legacy digitization project, and if not provided for fiscal year 2007, funding could be requested in subsequent years once the project is approved), as well as restoration of the reductions shown above for FDLP training and user support for FDsys, conversion of pre-1976 cataloging records, cataloging of web-harvested documents, authen-

tication of web-harvested and digitized documents, and capital expenses associated with authentication and access.

	In millions
Essential Requirements:	
Mandatory pay and related costs	$0.8
U.S. Code 2006 edition, printing and distribution	2.0
Expenses due to investment in IT and FDsys	1.2
FDLP training and user support of FDsys	1.1
Conversion of pre-1976 cataloging records	.3
Cataloging of web-harvested documents	.6
Authentication of web-harvested and digitized documents	.4
Capital expenses associated with authentication and access	.7
Total	7.1
Additional Requirements:	
FDLP training and user support of FDsys	.3
Conversion of pre-1976 cataloging records	.5
Cataloging of web-harvested documents	.05
Authentication of web-harvested and digitized documents	.05
Data tagging and processing new digitized content for access	2.0
Total	2.9

REVOLVING FUND

	In millions
Fiscal Year 2006 Enacted Level	$2.0
Fiscal Year 2007 Requested Level (Fiscal year 2007 request is a total of $3 million for training and $5.2 million for IT projects; fiscal year 2006 enacted provided $2 million for training)	8.2
Total Increase Originally Requested	6.2

Of the requested increase, approximately $1.0 million is needed for essential requirements, which represents an increase over the funds provided for fiscal year 2006 for workforce training and development to provide GPO employees with the skills needed for GPO's digital future. Total funds approved for fiscal year 2006 for training were $2 million; GPO is requesting a total of $3 million for training for fiscal year 2007.

Additional requirements of $5.2 million are requested for high risk infrastructure replacement to cover 8 projects to mitigate high technical risk areas, a secure documents system infrastructure to provide IT support for GPO's secure and intelligent documents business unit, a computer-aided manufacturing system to integrate GPO's production systems with IT monitoring, replacement of GPO's outdated PROBE system that provides job cost tracking, an application infrastructure to integrate GPO business systems into Oracle, a Government Performance and Results Act (GPRA) compliance system to monitor and evaluate program performance, and a metadata repository to standardize data used in GPO's business systems.

	In millions
Essential Requirements: Workforce retraining	$1.0
Additional Requirements:	
High risk infrastructure replacement	2.3
Secure documents system infrastructure	.8
Computer-aided manufacturing	.5
PROBE replacement	.5
Oracle application infrastructure	.5
GPRA compliance system and implementation	.3
Metadata repository	.3
Total	5.2

EMPLOYEE RETRAINING

Senator ALLARD. Now Congress approved $2 million in the Government Printing Office 2006 budget for workforce training. Can you update us on your efforts on that?

Mr. JAMES. You want to know how we spent that money?

Senator ALLARD. Yes. We want to know what the results are.

Mr. JAMES. I would like to submit the specifics for the record. But I will give you sort of a general view of what we have done with this.

In my judgment, the most important thing was to make certain our 330 supervisors are completely trained in what being a supervisor is all about. In the past, we moved people from the workforce that were skilled craftsmen just almost based on seniority into these, what I call, these leadership positions without sufficient background and training of what it takes to be a leader.

So the first thing we did was focus on helping all of our roughly 330 supervisors/leaders to understand their responsibilities and what they need to do in a digital world and actually in a world of today. And we used the strategic vision document as the working tool of how to get them to understand what their role was and how to carry this down to employees.

We then set up a new business unit that we call the digital media group. And this is the group that will do the conversion of the legacy documents of the Government into digital documents. And this will create hands-on training for hopefully several hundred GPO employees over the next few years as we complete that digitization. So those are the big initiatives that were undertaken in the last year. But I will give you a full explanation of that for the record.

Senator ALLARD. Thank you.

USE OF GPO TRAINING FUNDS

For fiscal year 2006, Congress appropriated $1.9 million (after rescission) to GPO's revolving fund for workforce development and training.

Approximately $500,000 has been allocated to a demonstration project for the digitization of selected legacy Government documents that has been approved by the Joint Committee on Printing. The project will train a targeted element of GPO's workforce in essential digitization skills.

Approximately $100,000 has been allocated to the provision of training in PC skills, electronic publishing, new pre-press technologies, customer service improvement, and apprentice training.

The balance of the funds are for a GPO-wide skills assessment and implementation of retraining and include the following: $170,000 for a needs analysis and skills assessment, $630,000 for classroom training, $270,000 for e-training, $130,000 for a Learning Management System, and $100,000 for career transition services.

ELECTRONIC PASSPORT PROGRAM

Senator ALLARD. What is the status of the electronic passport program that you are working on with the State Department?

Mr. JAMES. That is one of the most challenging jobs that we have had. The State Department is one of our best customers. And as you know, this is a program that has been mandated by Congress. And that is to include a biometric chip in all of the U.S. passports. And the law is requiring that of other countries, too, that want to have the visa exemption.

We have been working for about 2 years on that program with the State Department. We actually have working samples out in the field right now. We are delivering official passports. I believe in the last couple of weeks, we started delivering official passports with chips and antennas. We have learned a lot in this process. We probably have more knowledge than perhaps any other organization in the country at this point about what goes into dealing with these chips in a paper product.

As a matter of fact, we have learned so much that we are looking at sharing this with other agencies to meet some of their requirements, both for ID cards and for other kinds of secure and intelligent documents that the Government will need. I have come to the conclusion that I think the Government Printing Office can be of great service to other agencies in the development and maintaining of a proprietary Government technology that will help ensure that documents cannot be counterfeited and they are authentic documents.

We are looking at doing this with some interesting models. We are looking at getting in the business of producing ID cards.

Senator ALLARD. What kind of ID cards?

Mr. JAMES. These are the new ID cards that are required that have RFD devices in them that will be for all agency employees. And there we are looking at the possibility of doing a Government-owned, contractor-operated plant within GPO facilities. In other words, taking the best advantage of the private sector and their know-how and how to officially manufacture, but yet keeping it within a Government facility for the necessary security protections.

So we have learned at lot. We have made great progress. I think this will be one of the fast-growing areas in the future for the Government Printing Office.

Senator ALLARD. So you actually have it in some passports now.

Mr. JAMES. Yes, we do.

Senator ALLARD. Is that part of the trial basis, or is this now just part of routine procedure in those few that you have out there?

Mr. JAMES. I think you are asking me to speak for my customer here, the State Department, on this. And it is my impression that we are still moving cautiously. You know, with old U.S. passports, I should say the former passports, we knew what would happen if somebody left it in the trunk of their car or ran it through a washing machine. You know, we need more experience here in what happens in the real world as people use these devices or these passports, so that we can make certain that the manufacturing techniques we have used will withstand as much as they possibly can. So we are moving cautiously on this one.

FUTURE OF THE DEPOSITORY LIBRARY PROGRAM

Senator ALLARD. Thank you. You also said you are engaging the depository library community in a dialogue on the future of the depository library system. What is the status of that effort?

Mr. JAMES. Well, let me put it this way. I think that together the library community and the GPO have come a long way in the last 3 years. I began to discuss with the depositories a little over 3 years ago what I thought was going to be required in the digital

future. And there were, I think it is fair to say, some real skeptics initially.

But as we have, over the last 3 years, worked so closely together on taking a look at this, I think that probably it is best summed up by a letter I think you recently received, signed by the presidents of the five largest library associations strongly endorsing the direction that we are going. And I think that while we do not have a complete solution yet, I think we are engaged in a very positive way. We know we cannot please everybody. But it is our intention to get to the point that we have a consensus within the community of the best way to go forward with this.

Senator ALLARD. So you are in the discussion process right now.

Mr. JAMES. Yes, sir.

Senator ALLARD. And you have not decided exactly how you are going to proceed from this point.

Mr. JAMES. That is absolutely correct.

Senator ALLARD. Thank you. That is all I need for your testimony. Thank you very much.

Mr. JAMES. Thank you, Mr. Chairman.

Senator ALLARD. We wish you well.

Mr. JAMES. Thank you.

CONGRESSIONAL BUDGET OFFICE

STATEMENT OF DR. DONALD B. MARRON, ACTING DIRECTOR

Senator ALLARD. Good morning, Dr. Marron. We meet again today. It seems like we have been seeing each other on a fairly regular basis here. You are the last panel for this morning. I would ask that you, Dr. Marron, Acting Director of CBO, to present your testimony on CBO's $37 million request. This is a 5.5-percent increase over fiscal year 2006 and supports current services.

Now, Dr. Marron, we understand you have done an excellent job heading up the CBO since your appointment just a few months ago. And we appreciate your service. Please go ahead with your testimony.

Dr. MARRON. Thank you, Mr. Chairman. It is a pleasure to be here today. You have our written statement, so I will try to be very brief. Let me start by thanking you for your past support of CBO's budget request, most recently for the 2006 request.

As you know, CBO's mission is to provide the Congress with timely, objective, nonpartisan information about budget and economic issues. It has been my great privilege to be with the agency for about 6 months now and to be Acting Director since early this year. And just on a personal note I would like to say I am just incredibly impressed with the enthusiasm and skill and esprit de corps of the CBO and its people. I feel like we are doing an excellent job for the Congress. And I hope to keep that up.

As you say, our fiscal 2007 request is for $37 million, which would be an increase of $1.9 million over our appropriation for 2006. It is an increase of 5.5 percent. This is pretty much a plain vanilla request on our part. There are no new initiatives. We view it as a current services budget. It allows us to maintain a level of productivity, allows us to maintain our 235 FTEs, and hopefully allows us to, you know, continue the productivity that we have built up in recent years. Hopefully, it is well documented in our submission.

Our budget is overwhelmingly for people. As we discussed the other day, about 90 percent of the budget goes toward our people. And in essence, that is what is driving our budget request this year. Most of the request is concentrated in people, both because of benefit increases, because of a cost of living adjustment (COLA), and because of merit increases that we would expect to award to people.

In addition, there is a component in there for IT. As you will recall, last year there was an across-the-board rescission. We, to get through this year, focused most of that on our IT budget. We deferred a variety of projects. And so our budget request in essence has a variety of those investments coming back in 2007 being funded.

I am happy to say that I believe CBO provides good value to the Congress and through the Congress to the American people. It has been true in the past, and we intend to make sure it is true in the future.

PREPARED STATEMENT

And with that, happy to take any questions.
Senator ALLARD. Well, thank you, Dr. Marron.
[The statement follows:]

PREPARED STATEMENT OF DONALD B. MARRON

Mr. Chairman and Members of the Committee, I am pleased to present the fiscal year 2007 budget request for the Congressional Budget Office (CBO).

CBO is a small legislative support agency. Its mission is to provide the Congress with timely, objective, nonpartisan analyses of the budget and the economy and to furnish the information and cost estimates required for the Congressional budget process. That mission is its single "program." Approximately 90 percent of CBO's appropriation is devoted to personnel, and the remaining 10 percent, to information technology, equipment, supplies, and other small purchases.

The total current-services request for fiscal year 2007 is $37,026,000 a $1.9 million, or 5.5 percent, increase over the appropriation for fiscal year 2006 (after the 1 percent rescission). Although CBO's original projected increase from fiscal year 2006 to fiscal year 2007 was 4.4 percent, this request incorporates CBO's need to restore resources that were eliminated in fiscal year 2006 by the rescission.

The requested increase is dominated by $1.7 million for increases in staff salaries and benefits, which are estimated to grow by 5.3 percent in 2007. CBO's information technology accounts will increase by $220,000, or 15.6 percent, primarily to restore information technology funding that was reduced to meet the fiscal year 2006 rescission. The remainder of CBO's nonpersonnel budget will increase by 1.7 percent to cover modest inflationary increases in various accounts.

With the requested funds for 2007, CBO plans to continue to support the Congress in exercising its responsibilities for the budget of the U.S. government. CBO supports the Congressional budget process by providing analyses required by law or requested by the Committees on the Budget, the Committees on Appropriations, the Senate Committee on Finance, the House Committee on Ways and Means, other committees, and individual Members. Contributing in various forms, CBO:

—Reports on the outlook for the budget and the economy to help the Congress prepare for the legislative year, including the construction of baseline budget projections to serve as neutral benchmarks for gauging the effects of spending and revenue proposals;
—Estimates the effects of the President's budgetary proposals on outlays and revenues, including effects resulting from impacts on macroeconomic activity;
—Assists the Committees on the Budget in developing the Congressional budget resolution by providing alternative spending and revenue paths and the estimated effects of a variety of budget options;
—Reports on programs and activities for which authorizations for appropriations were not enacted or are scheduled to expire;
—Estimates the costs of legislative proposals, including formal cost estimates for bills reported by committees of the House and Senate, which also identify the costs of mandates on states, localities, Indian Tribes, and the private sector;
—Conducts policy studies of governmental activities having major economic and budgetary impacts;
—Provides the Congress with analyses of policy options, but not policy recommendations, to alter federal outlays and receipts in the near term and over the longer horizon to help the Congress make budgetary choices, set priorities, and adapt to changes in circumstances;
—Constructs statistical, behavioral, and computational models to project short- and long-term costs and revenues of government programs and their effects on the economy; and
—Reports on emerging economic developments (such as natural disasters) and their possible budgetary consequences.

In fiscal year 2007, CBO's request will allow the agency to build on current efforts specifically, the request:

—Supports a workload of more than 1,700 formal estimates of the costs of proposed or enacted legislation and of mandates included in legislation (generally

conveyed in about 600 separate documents) and approximately 160 analytical reports and other products, as well as a heavy schedule of Congressional testimony;

—Supports 235 FTEs, the same number as in 2006, including an across-the-board pay adjustment of 2.7 percent for staff earning a salary of less than $100,000 (which is consistent with the pay adjustment requested by other legislative branch agencies);

—Funds a projected 5.4 percent increase in the cost of benefits and funds a combination of promotions and merit increases, including pay adjustments for staff whose salary exceeds $100,000 and who therefore do not receive an automatic annual increase;

—Supports CBO's share of the Federal Accounting Standards Advisory Board (FASAB) budget requirement ($443,025);

—Sustains management and professional training and development ($152,400);

—Maintains and continues development of CBO's financial management system ($101,390);

—Supports the agency's telecommunications services to the Alternate Computing Facility ($75,000); and

—Allows for upgrading Microsoft Office software throughout the agency ($75,000).

Before I close, I would like to point out that over the past two fiscal years, CBO has streamlined operations while increasing services to the Congress and meeting ever growing requirements. Those efforts, which have included working in cooperation with other legislative branch agencies and other government organizations, have focused on reducing costs in information technology; library operations; printing and reproduction; storage services; and financial management, including payroll processing, auditing, and reporting. Consequently, the fiscal year 2007 submission requests the funding required for CBO to maintain its current services.

I would also like to report that CBO received a clean opinion on its fiscal year 2004 financial statements.

In addition, I would like to state that the agency is committed to applying many principles of the Government Performance Results Act as discussed in the Senate's fiscal year 2006 report.

Finally, I would like to thank the Committee for its support of CBO's 2006 budget request. The funding provided this year will allow CBO to continue to provide the Congress with vital analyses as well as enable the agency to make cost-effective investments to enhance productivity and reduce costs.

PREPARATION OF REPORTS TO CONGRESS

Senator ALLARD. Now, in the past 2 years, CBO has increased the number and reduced the preparation time of reports for the Congress. That is admirable. Would you explain to the subcommittee how you managed to accomplish that?

Dr. MARRON. Absolutely. I would say the key to that really is good management, to establishing timelines, deadlines, and encouraging folks to meet those. There are always some slippages, but, you know, to have guideposts for people to strive for, and then also to have a culture in which we make a lot of effort up front to make sure that the projects that we choose to undertake are ones that we can get through the entire process to see the light of day, to make sure that we have requests whenever possible from Members of Congress, and then just to carry that forward.

So, I would ascribe that essentially to good management.

ONE PERCENT RESCISSION

Senator ALLARD. Now in fiscal year 2006, a 1-percent rescission was applied to all the agencies. The one exception would have been the Department of Veterans Affairs. What was the impact of that reduction on your activities?

Dr. MARRON. The primary impact on us was to defer a variety of information technology investments, upgrading servers, upgrading PCs. Some of those have some flexibility in the timing of those.

And we decided to put them out of this year and push them into next year.

Senator ALLARD. And that is reflected in this year's budget?

Dr. MARRON. Exactly right. You will see that there is a larger percentage increase in the IT budget, somewhere in the 11-percent range—and a significant part of that increase is essentially those investments showing up in 2007.

BUDGETARY ANALYSIS OF DRAFT LEGISLATION

Senator ALLARD. I see. Now I understand CBO has had a draft of Senator Lott's legislation to redevelop the Government Printing Office facility since December. We had a discussion about that in the panel before you. As I understand it, until the bill is scored, Senator Lott is reluctant to move forward. What is the status of your efforts to provide a budgetary analysis of this draft legislation to the Rules Committee?

Dr. MARRON. Our people are definitely working on it. The proposal raises some challenging issues which raise some nuance scoring issues, but we are working to expedite and it should be available quite soon.

Senator ALLARD. I would urge you move ahead with that. Is it possible for you to give us a commitment on a date?

Dr. MARRON. I cannot right now, but let me check with my folks back in the office, and I will get back to you.

Senator ALLARD. Okay. I think it is important for us to get the Government Printing Office issue settled as fast as we possibly can. If you can get that to us quickly, we would all appreciate it.

Dr. MARRON. Okay. Absolutely.

CONCLUSION OF HEARINGS

Senator ALLARD. Very good. I do not have any other questions. You got off kind of easy.

Dr. MARRON. So I will thank you for that.

Senator ALLARD. Thank you for your testimony.

And this subcommittee stands in recess.

[Whereupon, at 11:45 a.m., Wednesday, May 3, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

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